Daily Report

Latin America

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Rio Group Appeals for Gulf Peace in UN Letter

PY1601010691 Madrid EFE in Spanish 0007 GMT 16 Jan 91

[Text] United Nations, 15 Jan (EFE)—The Rio Group member countries expressed here today their concern over the fact that a peaceful solution has not yet been found to the Persian Gulf crisis and stated that "no effort must be spared in achieving this goal."

The mechanism for permanent consultation and political agreement—also known as the Rio Group—is made up of Argentina, Brazil, Bolivia, Colombia, Chile, Ecuador, Mexico, Paraguay, Peru, Uruguay, Venezuela, and Costa Rica, representing Central America.

Representatives of the Rio Group member countries today sent UN Secretary General Javier Perez de Cuellar a letter conveying their deep concern about an imminent conflict in the Arab region.

The ambassadors for the Rio Group countries stated that "the deadline (given by the United Nations to Iraq for a withdrawal from Kuwait; that is, 0500 GMT on 16 January) is imminent and will pave the way for hostilities to begin in the region. These hostilities would have a serious impact on the rest of the world, especially by worsening the serious socioeconomic problems being endured by developing countries."

They added that "the governments of the Rio Group member countries are convinced that no effort must be spared to preserve world peace and call for diplomatic efforts to be intensified in order to find a just, stable solution to this dangerous situation."

Cuba

Fidel Castro's Jose Marti Contingent Speech

FL1501221091 Havana Cuba Vision Network in Spanish 0207 GMT 12 Jan 91

[Speech by President Fidel Castro Ruz during the ceremony marking the second anniversary of the Jose Marti Construction Contingent held at the Geraldo Abreu Fontan Social Center in Havana on 11 January—recorded]

[Text] Comrades: This event started a few minutes earlier. Apparently, the fact that there was going to be a luncheon had something to do with it. [laughter] When I got here I asked the reporters: Who were the fools who missed lunch? [laughter] I said this after I saw the table you had set.

Since the minibrigade movement began, especially while ExpoCuba was being built—I visited that center many times—I had contact with you, if not with all of you, with most of you. I saw you working at ExpoCuba with an extraordinary determination. I saw you many times during the day, at night, and before dawn. At times we toured the project with some visitors. That project is now a reality. That project was inaugurated two years ago and has been a success. A large number of fellow countrymen have visited it. I believe over a million people visited it last year. Was this not so? This project was handed over by you, a very dedicated group of workers who have increased the reputation of the institution.

It can be said today that the city is proud of ExpoCuba and that ExpoCuba is appreciated very much by all the people, especially young ones. ExpoCuba is improving every day. It is the center of international events. International events are held there. It even makes a certain amount of foreign currency for the country every year. That is the result of your work and I believe you should be pleased with all the efforts, those of you who participated in that project, made there. I know that not all of you come from ExpoCuba.

During those days there was talk about the need to fulfill an internationalist mission. Many of you expressed the willingness and desire to go. I remember that there was a group of women who always said: Do not leave us behind. This is how the idea of creating the internationalist contingent, especially with minibrigade members from that project, came about. They had already established a great reputation in their work and gave us the confidence that they were the right people to fulfill that task. It was the first time that the minibrigade movement organized an internationalist contingent.

This is how the comrades of the minibrigade movement, the comrades of the party, and the comrades of the city's Assembly of the Peoples' Government paid a great deal of attention to that mission. I remember it because I talked with them many times. They paid a lot of attention to everything, they looked into how it was organized, how they were being settled, how they received supplies, in sum, the many details the organization of such a mission requires. We frequently asked about the progress of the work and frequently got news about you.

There was a little problem. At the beginning they only sent men and the women protested. They had every right and reason to do so. I remembered the many times they had asked not to be left behind. So, the logical and just decision was made for women to also participate in the mission. This is how the internationalist female contingent was organized.

Well, we also got news about the weather because it was one of the most difficult places to build in the world since it rained every day and every night. I tried to imagine the condition of the equipment. Equipment such as bulldozers, cylinders, levelers, trucks, and loaders was assigned to the contingent. A great deal of equipment was sent there. I tried to imagine that equipment working under those conditions, building streets and roads. It was difficult to understand how one could build in a place where it rains year-round. I believe there are only two months, May and June—I do not know—when they say it rains a little. It rained the rest of the time. From the beginning I understood that it was a hard and difficult task.

With the contingent we not only wanted to convey our experience in housing construction but the experience in the organization of the people in the solution of important matters. The latter was much more important. I know that hundreds of Nicaraguans joined in the work quickly and they toiled with enthusiasm alongside you in the building of that town which was destroyed as a result of that huge natural disaster. We saw pictures of Bluefields and nothing was left there. I asked myself, how will they be able to build? How will they be able to meet that goal? Because there were other difficulties in addition to the weather. There were the difficulties of the war. Many times it was difficult to get some materials from the Nicaraguans such as wood.

So the news about each house you finished was received here as good news. It made us proud because we knew about the difficulties you faced in the construction. It was truly very difficult for all of us not only for you [words indistinct] finished the town we had intended to build there. It was very difficult because we knew with how much love, affection, and sympathy you were looked at by the Nicaraguans from Bluefields. I do not know if this was the case from the first day, but I was sure that you would win the affection and trust of the population. We later heard news about the great appreciation they had for your work.

Big political changes took place, however. The political changes were not the ones that made us stop our activities. We would have never been capable of not fulfilling our promises and commitments for political reasons.

There were other types of reasons, security reasons. The civil war was still in progress at that time. Peace had not been reached in the country. There were no safety conditions for the Cuban personnel in that isolated area. In spite of the affection the population felt for the contingent nobody could guarantee that our contingent was not going to be the target of provocations. This is why we said that the contingent should return under those conditions, that the equipment would remain there, and if the day came when there were favorable conditions we would return.

All the studies we did indicated that under those conditions it was convenient for the contingent to return to the country. For us, the safety of our workers was the most important matter. A change of government had taken place. The opposition won the elections and the government.... [changes thought] Circumstances were completely different.

This was a large number of Cubans who could have been subjected to any type of provocation by the enemies of Cuba. The same thing did not happen with the doctors [passage indistinct] in Nicaragua. We made a commitment with the people and not with the government. This is how it went. The equipment was left and remains there in the event that the day comes in which the circumstances are such that our cooperation is requested so that we can finish the mission in that country. I repeat, this was very painful for you and for us.

We immediately discussed what could be done when the contingent returned. The first thing that was decided was that they should not be dismantled, but remain intact. We had already thought about a project for the contingent. We were not in the special period at the time. It was a very important project, very important for all the people and even for international tourism. We had already assigned you the construction of the new aquarium—the expansion of the aquarium—which is a truly marvelous project. The groundwork was being done at the time and it was then decided that you should go to support the Pan-American Games projects and that, later, you would work in the aquarium.

As months went by, new international events began to take place and very serious problems began to arise. They led us to what we call the special period or the first stage of the special period as a result of the significant reductions of fuel and other raw material we counted on. This forced us to enter into the stage we are at presently. New projects were not started in many areas. We basically worked on the projects that were already under way.

One of them, which entails an important international commitment for our country, was the Pan-American Games facilities. It is not only a project of great social benefit for the entire population—a project that was under way—it was a project in which the honor of the country was at stake and had to be continued. This was a project in which the basic investments and spending had already been made. Tens of thousands of fellow countrymen of the capital had made their contribution to this project by going to work at least once like those Havana union mobilizations I recently saw the same day I visited you. That day there were some 2,000 workers in the Pan-American villa. I know that they rotate on Sundays working in that project. That project is being built by our youths, our students, and our workers. We are taking it forward. Some are at a very advanced stage and others are a little behind.

All the work on the installations of the Pan-American Games will be completely finished by the day the Pan-American Games are scheduled to start. The beauty and the love with which our city has built these works are truly impressive. We had the privilege of being at this site on 28 December for a few minutes during the great youth rally. We could admire the beauty and the magnificence of these works covered by the semi-darkness of the night with the velodrome, the pool, and the stadium in the background. [Words indistinct] and we saw how marvelous these works are. How gratifying to know that after 30 years of revolution, our country will have a great velodrome which is almost finished; that our country will have Olympic-size pools for the joy of our youth, our people, our athletes; and that they will enjoy them for decades to come either as participants or spectators. How gratifying to see the stadium that you are building.

This is where I met you on 6 January. I do not know how many people were at the stadium or in what precise site because there are several works there. Suddenly, when I reached the velodrome—which I was inspecting because I was interested in learning about the progress of this work, how the cranes are working, where they are, how many spare parts are missing, what remained to be done—I was surprised to see you there working at the track. I was surprised to see you and you immediately gathered around.

As an example there is the case of that 22-year-old youth who had been working for 27 consecutive hours in one of those marathons, in one of those Olympic contests you often set up—because you are also members of the Olympic work team. [laughter, applause] This boy is a true example. He was not in Bluefields? He was admitted later. [laughter, indistinct words] This is all very good. It is very good for you to admit such highly qualified people and for them to continue being members. If someone was stationed there with the equipment, if some were sent to Ghana to fulfill other missions, if some had been transferred to other activities, and at that time were not needed at the stadium, you still have to keep the contingent united; you have to improve it not only with those who were in Nicaragua, but with many others who have joined it later, or who may join the contingent.

During that visit, you reminded me that you were about to commemorate your second anniversary. Since I owed you something because I had been unable to greet you since your arrival from Nicaragua, I was very happy to

learn that you were planning to stage a great ceremony on 11 March. I believe it was originally scheduled to be held in another site, somewhere.... [Unidentified speakers answer: Near (?Polar).] We talked about the ceremony, when it was going to take place, what time it was scheduled to start, what it would consist of, and what time it would end. Right then and there, we started to study the situation and see how we could help you on the occasion of the second anniversary.

Later some people—[Havana People's Government President Pedro] Chavez, [Havana Party First Secretary Jorge] Lezcano, and other comrades—started to discuss the issue and they decided to change the site of the ceremony. It seems that they thought this was a better site. They should have offered it to you before; but well, I did not know anything about what you had organized. [laughter, applause]

Well, all this took place at the (?Polar). It was then that it was discussed which beer would be served at the ceremony. Well, I think that at that time we even assessed consumption levels. [laughter] The number of people, how much beer would be consumed, what kind of beer—and of course it had to be the very best to commemorate the second anniversary—and which brand. [laughter] Well, it could not be just Polar beer because we cannot force people to drink Polar beer. We had to figure out how to arrange it tactfully so that the Polar people would not be mad if a case of Hatuey or Cristal suddenly appeared around here. [laughter] Or perhaps some cases of....[changes thought] What is it called? [Indistinct responses] Well, there are two now. [Indistinct responses] The Tinima factory in Camaguey, but both of them are here? [Unidentified person answers: Both of them are there.] Am I correct in saying then that all our illustrious beer factories and their highest quality products are represented here today? Excellent. [applause]

Later, I was informed that the site of the event had been changed, that it would take place....[changes thought] What is it that you call this place? [Unidentified persons respond: The Abreu Fontan Center] Yes, but what is it that you call this place? The Abreu Fontan Social Center. Well then, I said, this means the event was upgraded. It indeed had been been upgraded. Well, there are many people involved in this.

Finally the day of the event has arrived. It is being held at the time that I suggested so that you could stay longer but not until very late. I also suggested that the snack be light because you told me that you were planning to have a heavy snack. I said: No heavy snack. What they should be having at noon is a light breakfast. [laughter] Tea. Because you can easily wait for lunch. Yes, I know that they have prepared for you a very good luncheon, a very pleasant and nutritious luncheon like the Jose Marti Contingent deserves. [applause] In addition to several hours of partying, there will be a snack, but Chavez wanted to complicate things. [laughter] He said no, we will have little boxes, and this and the other. I said no, nothing about this and the other. There will be a snack so that they will have enough time and so that you will not go home only with beer in their stomachs. So that you will have your snacks tomorrow in the Pan-American Games projects.

I sincerely tell you that I was very pleasantly impressed with the meeting I held with you at the time. I was impressed with your serious attitude, your commitment, your capacity. We are proud to have workers like you and with organizations such as yours. There is no question about it.

This is not understood by foreigners. Foreigners may go mad here [laughter] because they do not understand a thing. [laughs] If they see youths on 28 December at the rally, they are confused; if they see students at a FEU [Federation of University Students] congress, they go off their rocker and ask: What is this? If they see a contingent like the one I visited yesterday near Nueva Paz, the Guanabacoa contingent.... [changes thought] There are almost 300 people there. I arrived at that time because you cannot go there at noon. People cannot go there at noon, at mid-morning, or at mid-afternoon because there is no one there. I toured some camps there. I arrived at 0550 but there was only a small group in the camp at the time. The others had not yet returned from work. They were working in harsh activites: digging up onions, etc. I found some truly extraordinary, excellent people there.

Well, we met there. We saw everything: the dormitories, the camps, we asked how everything was. We saw the dinning room. I must say that these people compete with you in how much they eat for lunch, breakfast, dinner and snacks. The contingent members and those mobilized from Havana City have more things than those in the Havana Libre [Hotel]. I can also tell you that they are learning to eat vegetables; something which people around here have almost forgotten [laughs] to do.

Over there.... [changes thought] I even suggested some recipes. I tell them: Remember that bananas are great to make chatinos [local dish]. Remember that if you cut it lengthwise, it absorbs less grease. It is softer. It tastes better. Well, I tell them, you have to learn this. And they are learning about it. I always talk with cooks about the yield per hectare of bananas we obtain with the surface or air microjet irrigation systems. I always talk with the cooks but you do not have to do a lot of talking. What one must do is sit down and taste what they are cooking. What they cook is similar to what five-star hotels make, well, may be a four-star hotel. [laughter] They have everything.

Well, it is really marvelous to meet people. I always joke with people. I tell them: Where do you come from? I tell some: You are from the East. You are from the east, I can tell by your face. [laughter] Gentlemen: I can even tell them the municipal district they are from. [laughter] I found a girl and told her: It never fails. You are from the east. I ask her: From what part? She says: Well, from

Granma. I tell her: Well, Granma is about 800 km away. You are 50 km from Havana now. This means you are nearer than when you left. [laughter] [words indistinct]

There are many from the east who like to travel, but there are people of all kinds. There are hard working people, men and women. There are mothers who have one, two, three, and even four children who are looked after by some relative.

Well, if a foreigner visits this place he will be confused. He is unable to understand anything that is taking place in Cuba. Many people experience the same thing. They are confused when they visit the research centers or some of our hospitals [words indistinct] or when they visit some of our special education schools or visit some of our child care centers. They really are taken.... [changes thought] I talk to them because I generallly.... [changes thought] I talk with some of them when they visit the country [words indistinct] really so. I believe that even people who know you well are impressed by this, we are encouraged by this and we are proud of Cuban workers.

Yesterday evening, I was talking with a distinguished guest about his country. I made some comparisons with what happened in some other places. Some believed that the same would happen in Cuba. How wrong they were. What a difference. I used a phrase: We work for the people. We do not strive to buy the people. Our people cannot be bought.

Some people believed that they would make socialism by buying people. [passage indistinct] The revolution is made through the participation of the people and the revolution participates with the people in their great historic battle in their struggle for their future, their great destiny.

I said: We had never strived to buy people and whenever possible, we have strived to raise the people's standard of living. We have always strived to improve the material situation of our people. Even under the special period conditions we are carrying out a large food program. We are making many things for the people. We wanted the people to improve but we were not trying to buy the people with imitation jewelry. We were not trying to buy the people with consumer aspirations. I was saying the people can be won over but cannot be bought. Our revolution won over the people. It did not attempt to build socialism by buying the people.

This is why we have the people that have made the Cuba of today, in spite of the exceptions, in spite of the minorities, in spite of the lumpen or antisocial individuals that may exist. I believe no contemporary political process has the awareness our people. This can be seen during difficult times. We could say that our people always rise to the occasion during difficult times. We could say that our people are now proud of what they are doing, of the mission they are fulfilling, of knowning that we are not a revolution composed of kept people. The revolution is not built like a deck of cards but of concrete, stone, and steel. [applause] Our people are aware of that and begin to feel proud of that. That can be seen, it can be breathed and felt everywhere in the response made to the tasks the special period demands.

I cannot forget what you told me the Sunday I was there. You wanted to know in which task you could be more useful to the country and help more the country once you finished there. It is true. We are now doing internationalist work here to defend and strengthen the first socialist revolution of the Western Hemisphere. [applause] [passage indistinct] I found a little bit of the same spirit in the Olympic town, in the Pan-American village. It is a terrific place. Once it is inaugurated or once the people begin to use it, it will be the best neighborhood in Havana.

Almost 1,500 workers will live under excellent conditions. Not only that, I believe that the Pan-American villa will begin a revolution in the concept of housing construction and urbanization. There will be two eras, before and after the Pan-American villa because it has been proven there that excellent, varied, and beautiful things can be done with the same materials. It is paving the path of our future construction projects.

Therefore, those towns that are going to be built at the miscellaneous crops enterprises and others in our countryside will have the same design as the Pan-American villa. [applause] A new design has been created. This will be one of the great legacies of the Pan-American Games. Towns for technicians and scientists, towns for agricultural workers will have the same design. Many scale models and projects are under way and are going to be built in the provinces to guarantee a permanent work force. This will make future mobilizations unnecessary.

I was thinking precisely about that on Sunday, on the significance of that Pan-American villa. I thought about your offer made to you to work in the best place. This is what we have to think about. Where is your work more useful among all the things we are doing? Where is your work going to use your resources right away? Where is it going to give us more foreign currency right away? Which project is the best?

There are some projects in which the materials are available and there is a need to get the construction going. This could represent millions of dollars. We could place you in some biotechnology project but work is already under way there. We could place you in some tourist-related project, to complete or remodel some hotel because from the time it is completed it will represent $6, $8, or $10 million for the country every year. These are immediate things. We have not forgotten about the old aquarium idea. We have not given up on it. It can be postponed now because there are other more urgent projects. There are also other tourist-related projects.

Remodeling work is being done at a place that used to be a hotel, the Chateau I do not know. It will be turned into a very good, high-quality hotel. We will have an impressive aquarium. It will be good for the population or for

tourists. Now we are going to have to devote our effort where there are materials we have already purchased, that we have already imported, and has to be used. Not a single minute can be wasted. Work may continue in some projects.

A final decision has not been made but we will find a project and give it to you. We will task you to finish such a project in a certain period of time and with the quality you know how to work and with the necessary support. We do not want for this contingent to be dismantled ever. We do not want this contingent to disperse. We will have to think about other problems a little later. Not now. Circumstances do not allow us now, but we will have to figure out how the contingents' housing matter will be solved. This is a problem we will have to think about and find a solution because contingents have such a work load that they cannot spare anyone. It is not like the way it happens in other centers in which 10 workers can be pulled out and the rest do not even notice it in 10 days because they have a surplus of about 50, just to give an example. This does not happens with contingents.

We want the Jose Marti Contingent to grow and grow in the way the Blas Roca has shown it can. The Blas Roca Contingent started out with 150 workers and it now has 4,000. It will have 5,000 or more because it has six agricultural brigades. The Blas Roca Contingent has banana brigades. These brigades will take care of over 200 caballerias of bananas. They will be able to produce in those 200 caballerias more bananas than the capital is capable of consuming. It is better that there is a surplus. If nothing else, we can export it. They can be given to other provinces if a small storm or some strong wind goes by over there. The Blas Roca even has agricultural brigades.

Therefore, we want this contingent—which has such a beautiful history, which has fulfilled an internationalist mission—to continue developing, to continue growing until it turns into an important and decisive force for the tasks we may have to carry out here or in other places. It will basically be here where we will have to fulfill our missions and duties because today to preserve the revolution, strengthen it, and take it forward successfully is the most important internationalist mission our people can fulfill. [applause]

Comrades, I warmly congratulate you and I will let you go. [laughter] It has been for us a great honor and a great pleasure to be with you on this second anniversary. We are very encouraged when we say: Socialism or death! Fatherland or death! We will win. [crowd joins in and applauds]

Castro Meets With Soviet Solidarity Delegation

FL1501152591 Havana Radio Rebelde Network in Spanish 1255 GMT 15 Jan 91

[Text] Commander in Chief Fidel Castro has met with a delegation of the Soviet Committee for Solidarity With the Latin American Peoples, invited to Cuba by the Cuban Institute of Friendship With the Peoples [ICAP]. At the meeting, the Soviet delegation headed by (Viktor Alexandrovich Shiurupa) exchanged views regarding the progress of the food program, the development of the health system, and the economic, scientific, and technical lines of work in Cuba. Both sides stressed the importance of the friendship between the two countries. ICAP President Sergio Corrieri also attended the reception.

Iraqi Health Minister Praises Medical Presence

FL1601030091 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 16 Jan 91

["Exclusive" report over video from Baghdad by Rodolfo Casals]

[Text] The city of Baghdad today, 15 January, experienced another normal day in the tense, dangerous, and long Gulf crisis that began on 2 August 1990. Hundreds of thousands of Baghdad citizens today participated in massive demonstrations. These demonstrations, in eight different Baghdad areas, were held to repudiate war, to express support for President Saddam Husayn and the constitutional measures adopted by the National Assembly to confront possible aggression.

A few minutes ago I spoke with the Iraqi health minister regarding the situation Iraq is experiencing in the health sector as a result of the current blockade. This blockade has had a tremendous effect on the supply of medicine and milk for children.

The Iraqi health minister provided an exhaustive explanation in this regard. He said that this unjust blockade has already caused the death of over 2,000 people, the majority of whom are children who lack baby formula, antibiotics, vaccines, and other basic medicines needed in hospitals.

The Iraqi health minister also praised Cuban humanitarian aid, and the presence of Cuban health specialists because the majority of foreign health specialists—doctors, nurses, etc.—have left Iraq. He said, however, that the Cuban medical contingent, consisting of 182 people, is firm in its post. He added that the Cuban presence in Iraq is exemplary. The health minister also praised the commander in chief in view of the Cuban position on the Gulf crisis.

CTC on Salvadoran People, FMLN Struggle

FL1601002091 Havana Radio Reloj Network in Spanish 2059 GMT 15 Jan 91

[Text] The Cuban Workers Federation [CTC] and its National Committees have issued a call to all workers, the Latin American union movement, and all unions throughout the world, to stage ceremonies, to hold meetings and assemblies, and to issue statements, in support for the complete independence of the Salvadoran people.

The CTC document urges them to step up and to strengthen their solidarity with the Central American sister nation and with the struggle led by the Farabundo Marti National Liberation Front [FMLN], which has been struggling against the ultra-right since 1981.

In the document, the CTC praises the FMLN efforts to achieve a political solution to the war which is still being waged by the more reactionary and pro-Yankee Salvadoran sectors.

In addition, the CTC expresses its hope that the union movement and the FMLN succeed in their efforts to overcome the economic, political, and social crisis that El Salvador is experiencing.

Council of State Approves Ministerial Appointment

FL1601030691 Havana Tele Rebelde and Cuba Vision Network in Spanish 0100 GMT 16 Jan 91

[Text] As proposed by its president and chief of state, the Cuban Council of State has approved the promotion of Justice Vice Minister Carlos Amat Fores to justice minister. The approval was published by the GAZETTE in its regular No. 1 of 1991 issue.

New Party Secretary for Cienfuegos Appointed

FL1501153591 Havana Radio Reloj Network in Spanish 1503 GMT 15 Jan 91

[Text] Nelson Torres Perez, the new party first secretary in Cienfuegos Province, is a civil engineer and is 42 years old. He has an extensive revolutionary background. Of working-class origin, he carried out various responsibilities during his student life and participated in the literacy campaign and agricultural mobilizations, such as the coffee harvest in the eastern region. He was a vanguard worker for his work place and municipality on various occasions. He joined the Union of Young Communists in 1965.

A party member for 13 years, Nelson Torres's work background can be identified by multifaceted activities. He has worked as a professor at the Eastern University and has held many technical, leadership, and political posts. The new party first secretary in Cienfuegos was the president of the Union of Construction Architects and Engineers in that province.

Reportage Views Trade Committee Talks in PRC

WA1601141991

For PRC and Cuban reportage on the Mixed Commission of Economic Relations and Trade, including talks between Minister of Foreign Trade Ricardo Cabrisas Ruiz and Chinese Minister of Foreign Economic Relations and Trade Li Lanqing, see the 16 January and subsequent issues of the China DAILY REPORT.

Barbados

Sandiford Calls Invasion 'Breach of Justice'

FL1501153091 Bonaire Trans World Radio in English 1130 GMT 15 Jan 91

[Text] Barbadian Prime Minister Erskine Sandiford says he is calling for a peace with justice in the Persian Gulf. In a campaign speech he called Iraq's invasion of the emirate a breach of justice. He said one country cannot deny a smaller country of its sovereignty and that Iraq must get out of Kuwait. Mr. Sandiford said the plight of Kuwait is especially relevant to small countries like Barbados.

Dominican Republic

Deputy Foreign Minister on Status of Haitians

FL1501170591 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 15 Jan 91

[Text] The Dominican deputy foreign minister has rejected statements by the recently elected Haitian president that in this country Haitians who work in the sugar industry are treated like slaves. Fabio Herrera Cabral said that he disagrees with the information given by Father Jean-Bertrand Aristide and the word "slavery", because he lived and studied in the Dominican Republic, and he knows that there is no slavery here for Haitians. [sentence as heard] There are unsuitable working conditions, but these also exist for Dominicans, the Dominican deputy foreign minister stated. Fabio Herrera Cabral added that an International Labor Organization commission is currently visiting this country to determine what the true status of the Haitian workers is and to make recommendations to improve it.

Guyana

Government Appeals to World Bank, IMF for Aid

FL1501155091 Bonaire Trans World Radio in English 1130 GMT 15 Jan 91

[Text] The Guyanese Government has appealed to the World Bank and the IMF for assistance to cushion the effects of rising oil prices. Deputy Prime Minister Haslyn Parris said the economy is already in jeopardy because of developments in the Middle East.

Guyana's envoy to Washington, Cedric Grant, says his government hopes Venezuela will provide oil to Guyana at a more favorable term if war breaks out in the Gulf.

Haiti

Aristide Implicates Macoutes in Drug Dealings

FL1501150591 Port-au-Prince Radio Metropole in French 1700 GMT 14 Jan 91

[Excerpts] President-elect Jean-Bertrand Aristide met the local press today. He met with the foreign press on Friday. During this meeting he asked once again for the arrest of terrorist Macoutes. [break in transmission] According to Aristide, the Macoutes, who are still free, represent a serious obstacle to democracy in Haiti. Contrary to the news conference with foreign journalists, Jean-Bertrand Aristide mentioned this morning a relationship between drug dealers and the Macoutes. Jean-Bertrand Aristide insistently demands the arrest of the narco-terrorist Macoutes who have enjoyed and are still enjoying impunity. Their economic power is tumbling because of all the money they have spent to destablize the country.

Jean-Bertrand Aristide also mentioned an attempt last night to free Lafontant and his followers from the national penitentiary. This attempt had the signature of the narco-terrorist Macoutes. Jean-Bertrand Aristide seeks a strengthening of the security service at the national penitentiary and also requests the support of the American Government in halting these terrorist coups in the country.

[Begin Aristide recording] We note that students did not go to school today because of the policy of tolerating drug dealers. We do not want to tolerate drugs in our country. There are those who tolerate other people because they are in drugs together. This situation has caused parents not to send their children to school today because the Macoutes have decided to kidnap them so that Lafontant can be free. You all know that the Macoutes are running out of money. Many of them are ruined. They were using Jean-Claude Duvalier's money to create trouble in the country, being the terrorists that they are. A great deal of this money has been depleted. It is this drug money which is almost used up that makes them go crazy now. They would like to free Lafontant and continue to cause trouble. As terrorists they will continue to keep drugs circulating in the country so that the drug money can provide them with weapons, power, and solidarity among all drug dealers. By doing so, no one can arrest them, no one can take them to court. We speak so many times about impunity because there are people who are a part of the politics of tolerance. The police have not yet sought to arrest and prosecute them because the drugs give them a great deal of money and they realize that they are losing their money. It is better that children do not go to school today than have them find drug corruption which would make us lose the country's prestige and our courage. We are asking all concerned authorities, Mrs. Ertha Pascal Trouillot's government, the Haitian Army headed by General Herard Abrahams, and myself to whom you have given a mandate, to come together, to support one another in order to prevent drug money from supporting terrorists who are not yet arrested and so that those who are already arrested cannot be freed.

Last night, a serious attempt was made by the Macoutes to free Roger Lafontant. They said once they free Lafontant, they will continue even more. Fortunately, it did not happen. I am happy. We are asking all the authorities to continue being vigilant, and show their will to go along with the Haitian people and all democrats who reject drugs, so that together we can keep drugs away and continue to control the prisoners. We are asking the U.S. Government, which does not want the drug element either, to fight with us against all narcotics dealers, and not tolerate any terrorists who want drugs. [end recording] [passage omitted]

Jean-Bertrand Aristide also called on the population to go vote on 20 January for all the National Front for Change and Democracy [FNCD] candidates, because the FNCD is clean. Father Aristide is not at all worried about his safety. Aristide stated that it is up to the archbishop of Port-au-Prince, Francois Volf Ligonde, to decide whether to come back into the country.

Concerning the crisis in the Gulf, Aristide does not wish a war, but as a responsible government they have already prepared everything to try to save the situation in Haiti in case of war. Contacts have been made with the Venezuelan Government concerning fuel.

Discusses Situation

FL1501195591 Port-au-Prince Radio Metropole in French 1700 GMT 15 Jan 91

[Excerpt] [Passage omitted] President-elect Jean-Bertrand Aristide urged the people to support the Provisional Electoral Council in the elections next Sunday, 20 January, the second ballot of the elections. The elected president-priest, of the National Front for Change and Democracy [FNCD] has asked the electors to vote for all the first-rate fighting rooster candidates [referring to the FNCD rooster symbol].

Asked about a possible deterioration of his relations with certain embassies, President Aristide asserted that he has no problems with these embassies. I am free; I speak when it is necessary, and especially in communion with the people, said Aristide.

Concerning the Ligonde case, the elected president explained that he personally would not mind if the archbishop came back to Port-au-Prince. He nevertheless commented that Monseigneur Ligonde had declared war on the people who had voted for him en masse 16 December.

The president-priest said that many personalities will be invited to attend his appointment on 7 February. Asked about the possible presence of Fidel Castro in Port-au-Prince, Aristide explained that he would rather send the invitation to the Cuban Government. Nonetheless,

he said, the Lavalas Government wishes to have diplomatic relations with all peoples.

Regarding the Gulf crisis, Jean-Bertrand Aristide does not want the war, but he announced that his staff is studying the serious problems the country might confront in case of war. On the matter of petroleum products, we have already been assured of Venezuela's support, Aristide said.

During his talk with the local press, President-elect Jean-Bertrand Aristide reiterated his commitment to establish a state of order in Haiti. The president especially called for popular respect for the democratic rules.

Businessman Assesses Damage, Denies Connection

FL1501211091 Port-au-Prince Radio Metropole in French 1145 GMT 15 Jan 91

[Excerpts] Commerce suffered heavy deficits in Port-au-Prince from the uprooting [dechouquage] by fire and other acts of vandalism that occured here last week. More than 20 stores, especially in Lalue [John Brown Avenue] have been damaged, completely destroyed, or looted. The resumption of business was not easily done yesterday when owners were tallying the damage. While awaiting a final toll, William Jean-Louis interviewed the owner of Lalue Supermarkets. Although there are four Lalue Supermarkets in Port-au-Prince, only the most important one was uprooted. The owner spoke of 5 million dollars in losses. Our report follows:

One week after the wind of dechouquage of the latest events blew on the capital, commercial activities timidly resumed in Port-au-Prince on Monday, 14 January. Some store owners who were victims of these latest events recorded a heavy material toll. It was the Lalue area that suffered the most damage from the uprooting activities in the capital following the abortive coup d'etat of Roger Lafontant.

In our series of reports on that score, we met with Mr. Touffic Jaar, owner of Lalue Supermarkets. He told us that he recorded a loss of $5 million in the uprooting operation that his market experienced last week. Mr. Jaar explained that this dishonest act was aimed at destroying an entire fortune, and has rendered 80 employees of the market jobless. I am a businessman; I do not involve myself in politics, and I do not have enemies, said the Lalue Supermarket's owner in protest against the vandals who turned his store—located at the corner of Lalue [John Brown Avenue] and Chemin des Dalles [Christophe Avenue]—upside down and looted it. [passage omitted]

Mr. Jaar formally dismisses rumors that purchase vouchers with Roger Lafontant's picture have frequently been used in Lalue Supermarkets. He calls these rumors fanciful, and asserts that Lafontant is no friend of his, and that he has never in fact seen Lafontant face-to-face. The Lalue Supermarket's owner explained that he knows the former head of the Tontons Macoutes of the Duvalier regime only by name. [passage omitted]

Navy Declares Security Alert at Border, Airports

PA1501192391 Hamburg DPA in Spanish 1636 GMT 15 Jan 91

[Text] Mexico City, 15 Jan (DPA)—For two weeks the Mexican Navy has been maintaining constant surveillance around Mexican Gulf oil platforms, Navy Secretariat sources have announced.

The sources, cited by the government newspaper "EL NACIONAL," state that, although the Mexican naval forces are not involved in the Persian Gulf crisis, they are prepared to confront any contingency. Mexico supports the world coalition opposing Iraqi leader Saddam Husayn, but has not sent military troops to the Persian Gulf.

Navy Secretariat sources noted that surveillance is being maintained around loading ports and other oil zones. They said that they do not know if additional measures will be taken in the event an armed conflict breaks out.

Virtually 70 percent of Mexican oil production—2.5 million barrels daily—leaves the so-called marine zone located in Campeche of the Mexican Gulf.

For its part, the Airports and Auxiliary Services Directorate has declared a security alert at all national airports to prevent possible terrorist acts.

Additional security measures have also been adopted by the Attorney General's Office at borders, especially at the U.S. border, local authorities have reported.

Vessel To Evacuate Nationals From Middle East

PA1501153691 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 15 Jan 91

[Text] Considering that we seem inevitably drawing closer to a confrontation, the Mexican Foreign Secretariat has drafted a plan to protect and evacuate Mexicans living in the Middle East. A vessel chartered by the Foreign Secretariat will arrive in Haifa, Israel, to take to Cyprus those Mexicans who wish to leave. From Cyprus, they can return to our country.

The Mexican Embassy in Saudi Arabia and the consulate in Jordan are taking the appropriate steps so that Mexican women—most of whom are married to citizens of those countries—and children can leave the conflict zone, if they so wish.

PDP Allegedly Threatens PRD Leader

PA1501150091 Mexico City NOTIMEX in Spanish 2153 GMT 14 Jan 91

[Text] Mexico City, 14 Jan (NOTIMEX)—The Poor People's Party (PDP) and the Committee for the Struggle for the Defense of the People [Comite de Lucha de Defensa del Pueblo—CDLP] today threatened to kidnap Cuauhtemoc Cardenas Solorzano, leader of the Party of the Democratic Revolution (PRD). The threat came in the form of a slogan painted on a building in this city stating: "Cuauhtemoc, remember Arnoldo PDP-CDLP."

The message appeared today on the left side of the PRD's office building, located on Monterrey Street, No. 50, in the Roma neighborhood.

The slogan makes reference to the kidnapping of Arnoldo Martinez Verdugo, a member of the Unified Socialist Party of Mexico [PSUM] and Council for Democracy treasurer, on 2 July 1985, when five PDP members apprehended him and demanded 100 million pesos to free him. At the time he was a Mexico City deputy candidate.

The PSUM also said they would disclose to the public Arnoldo Martinez's presumed participation in the ransom collected in connection with the kidnapping of Ruben Figueroa in 1974, when he was Guerrero State governor.

According to the PDP, when one of its members was to leave the country in exile, he delivered Figueroa's ransom money to Martinez, who took 5 million pesos of it. Following difficult negotiations, Martinez was freed on 18 July 1985, after the PSUM returned the 100 million pesos to the PDP.

With regard to the threats made to Cuauhtemoc Cardenas, PRD member Ricardo Pascoe said that this is the second time that this kind of message had turned up. The first time, the message threatened Senator Porfirio Munoz Ledo and said: "Porfirio, you are still on the list."

Pascoe termed the threat as dangerous and upsetting, adding that this action is trying to create an unstable situation and at the same time spark a campaign against Cardenas and the PRD.

Likewise, PRD member Gilberto Rincon Gallardo stated that to trace the threat is not the most pressing issue, but rather to be on the alert, "because it is clear that there is a provocation."

El Salvador

Cristiani, Figueredo Receive Venezuelan President

PA1401180691 Caracas Venezolana de Television Canal 8 in Spanish 1600 GMT 14 Jan 91

[Report on statements by El Salvadoran President Alfredo Christiani, Venezuelan President Carlos Andres Perez, and El Salvadoran Foreign Minister Reinaldo Figueredo in El Salvador; date not given]

[Text] President Carlos Andres Perez continues his tour of three Central American nations. His first stopover was El Salvador, where he predicted the end of the civil war nightmare there. In the afternoon [date not specified] he left for Guatemala to participate in today's inauguration ceremonies for new Guatemalan President Jorge Serrano. He is expected to arrive tomorrow in the third and last Central American nation of his tour, Belize, where he will sign bilateral agreements on technical and cultural issues. While all this is going on, however, our colleague Martin Pacheco summarizes the results of the first leg of President Perez' tour in this report:

[Begin recording] [Pacheco] Minutes before leaving Salvadoran soil, Presidents Carlos Andres Perez and Alfredo Cristiani signed a joint declaration in which they underscored the resolute attitude of the two countries to achieve integration policies in economic, commercial, cultural, and technical areas.

El Salvador, which is experiencing a political process affected by violence, is currently seeking a democratic solution. The Farabundo Marti National Liberation Front [FMLN] guerrilla movement gathers the largest number of sympathizers and is waging an armed struggle that could end within the next few days by incorporating themselves into organized political struggle through special guarantees that the government of President Cristiani would grant them. The Salvadoran president insisted that this is a stellar moment for the attainment of peace:

[Cristiani] In that regard, I believe that President Perez has had the opportunity to meet with people from a number of sectors of national life. He can also attest to this opening displayed by different groups and the dynamism of the dialogue that is taking place. This makes us think that it is indeed possible to advance and achieve a peace agreement in El Salvador.

[Pacheco] Meanwhile, President Perez showed great optimism. The round of meetings he held with the various sectors allow him to assure that this will indeed be a decisive year:

[Perez] We have understood that it is indispensable to separate activities, that each should deal with its respective activities. The Armed Forces have an extraordinary mission, but within its own sphere. The rest of the population, that is, the civilians, must be involved in other spheres. This is the conclusion that Venezuela has reached and it is also the conclusion that El Salvador is about to reach.

[Foreign Minister Reinaldo Figueredo] The heads of state of all political movements in the area are currently making a collective call—and this was precisely a product of the Tuxtla meeting in Mexico—for peace, with their sights set on future development. There will be neither peace nor development, however, if societies are contaminated by new evils designed to undermine our countries' societies. [end recording]

FMLN Spokesman Criticizes U.S. Military Aid

PA1601032691 Mexico City NOTIMEX in Spanish 0218 GMT 16 Jan 91

[Text] Mexico City, 15 Jan (NOTIMEX)—The decision to renew U.S. military aid to El Salvador will obstruct the negotiating process and strengthen a sector of the country's army, FMLN [Farabundo Marti National Liberation Front] spokesman Mario Lopez warned today.

Lopez was interviewed today following U.S. President George Bush's announcement about the decision to release $42.5 million in military aid withheld by the U.S. Congress since October 1990. He said that this decision will worsen the war in the Central American country.

The member of the FMLN's political-diplomatic commission said that a sector of the Salvadoran Armed Forces, the Legislative Branch, and the government are interested in avoiding the negotiations.

He added that those who oppose the negotiations would lose their immunity and might be punished for their crimes, if the negotiations are suspended.

Lopez recalled that the U.S. Congress' decision to freeze 50 percent of the military aid was "a message, rather than a measure with immediate effects," whose goal was to help achieve some progress in the negotiations for a political solution to the conflict.

He said that the Armed Forces had received enough logistic support to participate in the war for a long time by the time the funds were frozen.

The decision to renew the military aid will encourage the sector "that upholds the belief that the FMLN will be weakened and isolated due to the international situation," Lopez said.

Consequently, that sector will try to use the negotiations for the sake of appearances and will play for time while the FMLN presumably becomes weak. This situation "would take us back to the 1989 summits in Mexico and Costa Rica, where the government policy at the negotiations was: We participate in the dialogue but we do not negotiate," the FMLN spokesman said.

Referring to a possible increase in the Armed Forces' offensive, Lopez warned that the FMLN "will not

remain idle." He stressed that the FMLN is willing to continue the negotiations. He said that the decision to renew the military aid is intended to weaken the FMLN by strengthening the government's military sector.

Lopez said: "They are wrong because this will only weaken the negotiations, not the FMLN," which is preparing to continue the struggle for democracy in El Salvador.

Lopez said that the aid renewal does not benefit anyone—not even the United States—and is a policy which counters the urgent search for peace in the area.

"The civil war in El Salvador is a flame in a pile of dry grass." This is something that the U.S. Administration has failed, or has not wanted, to notice, Lopez stated.

Court Requests Jurisdiction Over FMLN Killers

PA1501192891 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 15 Jan 91

[Text] Mauricio Gutierrez, president of the Salvadoran Supreme Court, has said that the guerrillas must turn over to the authorities two of their members who were arrested for the presumed assassination of two U.S. military personnel on 2 January. If the FMLN, Farabundo Marti National Liberation Front, is holding the persons responsible for that abominable assassination, it must turn them over to the courts with the elements of proof to demonstrate that they are the responsible parties, Gutierrez told journalists.

On 2 January FMLN forces downed a U.S. Army helicopter in the jurisdiction of Lolotique, in the eastern part of San Miguel Department, causing the deaths of U.S. military personnel David Pickett, Daniel Scott, and Ernest Dawson.

Following contradictory reports by the rebels about their deaths, William Walker, U.S. ambassador to El Salvador, charged that they had been assassinated. The FMLN promised to investigate the incident and subsequently announced the arrest of two of its members, saying they would be brought to trial and, if found guilty, would be punished according to their rules, but would not be turned over to the rotten Salvadoran judicial system.

The Salvadoran Supreme Court president said that after the identity of those responsible for committing the crime is established, they will be tried by the courts. He warned that if the FMLN decides to take justice into its own hands, it could be committing a new assassination, for which it would have to answer to Salvadoran justice. The case investigations are being carried out by the court of preliminary hearings of Chinameca, San Miguel. This court must issue the warrants for the arrest of those responsible for the crime.

* FMLN National Army for Democracy Explained

91P40107A San Salvador DIARIO LATINO in Spanish 4 Dec 90 p 4

[Interview with FMLN Commander Ana Guadalupe Martinez; place and date not given]

[Text] [DIARIO LATINO] What is the FMLN's [Farabundo Marti National Liberation Front] real objective with these military actions?

[Martinez] As the General Command said in its first communique at the beginning of the campaign, the objective is to push foward the negotiations on the topic of the Armed Forces. It is a national operation to wear down the Salvadoran Army which continues to be the principle obstacle to a negotiated settlement of the conflict. The operations had a clear objective: to wear down and punish the Army.

As to whether it is an offensive or a campaign, the main thing is that the FMLN has done what it deemed appropriate in view of the political necessities of the Salvadoran political process. This process has a military and a political component, a component of coordination and of alliances, and a diplomatic component.

Thus, the FMLN carries out the actions which it considers necessary in accordance with its strategic objectives. At this point, the objective was to make it clear that if the Army continues to oppose a political solution it will be punished by the FMLN.

[DIARIO LATINO] Would you say that at this time the FMLN has a greater ability to bring together the military components than it did previously, for example, a year ago during the November 1989 offensive?

[Martinez] There is a concrete example of how all the factors which can work towards defining the situation to achieve a negotiated solution—and, above all, to define it in a revolutionary sense—have managed to hold together. Despite the fact that the military campaign is being carried out, political space has been maintained, and the opposition parties have been making statements on television. No one has gone into hiding and coordination has been taking place at the same time as the military campaign. For example, we know that last Friday there was an interparty meeting with the nine legally registered parties in which ARENA [Nationalist Republican Alliance] proposed a condemnation of the FMLN's military actions, and the rest of the parties said that if we are going to issue a condemnation then let it be directed towards both because both have been engaging in military actions; but the principle thing is not to condemn but to speak out in favor of what would be the definitive solution to the military conflict and to all the political instability that the country is experiencing: advancing the negotiation process.

We see here a concrete example of how, in the midst of all of these confrontations, there is space for coordination among the political parties. There are proposals

which are being debated. In November of last year this was not happening. Everyone had to go into hiding, to try and save his life, and as a result there were no voices heard besides the government's national radio and television network and Radio Venceremos.

Also important is the way the international community has been speaking out, and the central theme of its pronouncements is that the negotiation process has to be accelerated in order to avoid more violent actions.

Thus, the military, political, coordination, and international aspects were brought together. This makes it clearer to see how the military campaign and its design were necessary in order to move all of the sectors.

[DIARIO LATINO] How are the immediate gains of the military campaign likely to be translated into political gains? How will the political scene look after this campaign?

[Martinez] The main thing which could result from all of this is for the negotiation process to be accelerated in order to reach political agreements which can lead to a cease-fire. This would be the principle gain.

[DIARIO LATINO] Does all of this logically assume negotiation on the points which have to be resolved before a cease-fire can be reached?

[Martinez] The negotiation process has an agenda, agreed upon by both parties in Caracas. It states that there have to be previous political agreements on the topics of the Armed Forces, the judicial system, constitutional reforms, human rights, and the socioeconomic situation, with all of this leading, of course, to a cease-fire.

Thus, if the process is accelerated, we believe that all of this increasing activity by both sides (because before our military campaign there were also operations by the other side) will begin to diminish or even to cease if these agreements are reached.

[DIARIO LATINO] Another new element of the campaign is the announcement by the FMLN that it is forming the National Army for Democracy. What concrete effect might the formation of this army have within the FMLN? That is, should this be understood as an internal organic development within the FMLN, or rather as a mechanism for establishing equivalent conditions vis a vis the government Armed Forces within the context of the negotiation?

[Martinez] This is a political decision, not a military one, which has to do specifically with the idea of demilitarization of society proposed by the FMLN. We have maintained that democracy, social justice and, above all, peace can best be achieved in a society without armies. When we said that a process of demilitarization was necessary in which both armies—the government army and the army which the people have built during all the years of struggle—demobilized, we wanted to establish that we are an army. Otherwise, how does one explain why the Salvadoran Army has not won the war? And how does one explain why, during this very campaign, the government and the High Command are crying to the press, television and radio that we have significantly increased our military operations and that this is endangering the country's political stability.

This is plainly and simply because we are an army which operates throughout the country and has an impressive capability, not only in the strictly tactical military sense but also insofar as armaments are concerned. After ten years of fighting, our military leaders have more experience that many colonels who have never been on the battlefield.

Thus, in order to establish a comparison between the political movement called the FMLN and the revolutionary army called the National Army for Democracy [as published]. And this is linked to the proposal which we made specifically for the purpose of negotiating the parallel dismantling of both armies.

This in no way denies that the FMLN is a political movement. What is going to be dismantled in the negotiations is the military structure of the FMLN, but not ourselves as a political movement. This part was not very clear: in speaking of the FMLN, what army is going to be dismantled in a parallel fashion with the Army of the government? Are we, as a political-diplomatic commission part of the FMLN's army, or does that refer only to the combatants and the commands? And so, with this measure the structure of the army subordinate to the political structure is clearly established; also clearly established is the structure which is going to be dismantled in a parallel fashion with that of the Salvadoran Army.

So, it is neither a new militaristic idea, nor a propagandistic invention; rather, it is a political necessity which establishes just what is going to be dismantled in the negotiations.

[DIARIO LATINO] Is it a differentiation between a military and a political arm of the FMLN? Will there be political structures of the FMLN which will not form part of its army?

[Martinez] It goes beyond the differentiation between a political and a military arm. It makes it clear that there are two powers, the government and the FMLN, its command, its political-diplomatic structures, its financial structures and the territorial aspect which includes the masses of the Salvadoran people who are linked to our zones due to the circumstances of the war. Thus, it is clearly established that two powers exist which are going to negotiate on an equal footing, and this is what we wanted to establish: the negotiation on an equal footing with a civilian pover which has an armed power and this is what is to be dismantled.

[DIARIO LATINO] Thus, the National Army for Democracy is not a parallel structure which continues to be under the direction of the General Command?

[Martinez] Correct. It does not mean a division in two. It is a clearer delineation of responsibilities which will be used in order to negotiate with clarity of function.

[DIARIO LATINO] Alright. Let's go back to the diplomatic question and the negotiation. Almost immediately at the onset of the campaign there was a diplomatic initiative of the so-called group of three which generated a great deal of pressure to accelerate the negotiations and to achieve a cease-fire as soon as possible. What are these new efforts by the U.N., the group of three and the government of Costa Rica.

[Martinez] Well, these diplomatic efforts have two objectives. The first is linked to the consolidation of the negotiation process as a means of resolving the conflict; the entire world has demanded that the negotiations be accelerated, that the negotiated solution be the preferred means of resolving the crisis. The second is the reduction of military activity. This is based on a fundamental concern, namely that no one knows how long the Salvadoran Army will resist important military actions and it is feared that there could be a collapse. They have serious concerns that the Army will not resist prolonged actions at a national level and they find it necessary to negotiate. Thus the entire world wants the negotiations to occur quickly and for the problem to be resolved, but not for the FMLN to decimate the Army. This is a logical concern because the Army is in a deplorable state with regard to its morale and its capacity to resist.

Guatemala

President Serrano Gives Inaguration Speech

PA1501175391 Guatemala City Domestic Service in Spanish 2045 GMT 14 Jan 91

[Speech by President Jorge Serrano Elias at his inauguration at the National Stadium in Guatemala City—live]

[Excerpts] Your Excellencies, the presidents and vice presidents of friendly countries; Mr. President of the Congress of the Republic; Mr. Chief Justice of the Supreme Court of Justice; Mr. President of the Court of Constitutionality; Mr. President of the Supreme Electoral Tribunal; Messrs. former presidents and vice presidents of the Republic; Your Excellencies, the chiefs of special missions and honorable committees; Messrs. ministers of state; the Army High Command; government authorities; ecclesiastical authorities; Messrs. deputies of the Congress of the Republic; my beloved Guatemalan people: [applause]

I wish to begin this momentous ceremony in the democratic life of my country, my family, and my personal life, as I have always done, by asking the all-powerful God to enlighten, guide, and strengthen me in carrying out the task of governing our country with justice and dignity, in order to bring to fruition the aspirations of the Guatemalan people, who elected me overwhelmingly, giving me their mandate to direct the destiny of this nation for the next five years.

I welcome everyone to this democratic celebration, which is unprecedented in this country's political history. For the first time, a civilian president is handing the Presidency over to another civilian president, both of whom were democratically and popularly elected and who are from different political parties. That fact in itself reaffirms two basic tenets of the exercise of democracy: Pluralistic participation and succession of power. This should fill us with happiness and hope, because we are indisputably advancing with firm steps along the path of building democracy and peace, while simultaneously reflecting an image of tolerance and unity before the international community. [passage omitted]

No one is unaware of the fact that Guatemala is sunk in a severe crisis, aggravated by the international economic situation, the crushing weight of foreign debt, and the permanent deficit in our balance of trade, all of which have led to an accelerated and dangerous process of national deterioration, endangering the very existence of our democratic system. In our country the harshness and complexity of the economic problems are added to a loss of confidence and trust in public institutions and officials. We have seen increased inefficiency, abuse, and corruption in the management of public affairs, factors that, added to the constant violations of human rights, limit our possibilities of recovery and development.

We are convinced that there is a way out, that there is a solution, that our democracy is possible, that our system is viable, that our recovery is feasible if we convert our determination into an effort by all Guatemalans, without exception. To this end, we appeal for the support and understanding of the international community.

In view of the situation that we are experiencing, we have to carry out an economic adjustment that will clearly help us to solve present problems without losing sight of structural problems and the need for in-depth change. A determining factor is that we must adjust our economy without losing sight of the basic objective, the integral development of our country, which should be centered on the creation of conditions that will allow Guatemalans to develop spiritually, intellectually, and materially.

We must all realize that the only way for us to move forward in the medium- and long-term is by increasing national production. [passage omitted] For this reason, we feel that it is just to redirect the national savings, so that they will not be available only to the state and the wealthy classes in the country. These savings should also be channeled toward promoting production and providing an opportunity for the public sectors to have access to capital.

We also feel that it is necessary to channel international resources toward that same end. Once again, I reiterate to my people my government's firm decision to create the most ambitious program of public credit that has

ever been seen in Guatemala, to give the peasants access to land, seed, and fertilizer [applause], to give the craftsman access to tools, and to give the small farmer access to machinery. In this manner, Guatemalans will be able to give free rein to their creative initiative and produce more in order to live better.

We know that we have to face up to long-term problems, but for the moment, we cannot neglect the present problems with which we are afflicted and which have led great sectors of our people to desperation. For this reason, in a conscious, firm manner, inspired by the broadest patriotic spirit, we call on the country's productive forces to sit down together and, with the capacity for dialogue characterizing the Guatemalan people, sign a social pact. Let us remember that dialogue promotes the transformation of man and his conscience. It should never be the privilege of some; it should instead be the right of all. That is why we believe that the businessmen, the workers, and the government should participate in this dialogue. This pact of understanding, to which we convoke people today, has to be creative, so that in this meeting of Guatemalan people we can, within a spirit of goodwill, build a path to the economic stability that is so necessary in establishing the foundations for peace and transformation of our society.

This pact has to be temporary. In no way does it replace the structural changes that must be made in our country over the medium and long term, changes on which we pledge to work. We call for this meeting, imbued with faith in Guatemalans, inspired by their [29-second break in reception] and seek the way for those who have more, can do more, and know more to work in solidarity and unity with those who have less, can do less, and know less for the welfare and progress of all our people, by establishing the mechanisms that will guarantee that we will all participate in the country's recovery. [passage omitted]

I ask all those groups that have encouraged radicalism in Guatemala to abstain from doing so, that they change their attitude, that they understand that our country's interest and reconstruction are above ideological or sectorial interests. I promise to do all that is possible to end abuse of authority, thus avoiding the justification of any sort of sectorial attitudes and the skepticism over a legal state. If this call is answered, I believe it will be possible that together all Guatemalans will banish profiteering in our economy, which causes so much harm and works systematically as an unfair encouragement to inflation, affecting the neediest sectors of our population.

On another subject, I have always believed and continue to believe firmly that personal freedom and social justice should be enjoyed within our country's democratic institutions, based on respect for man's fundamental rights. The Guatemalan people have traveled a long and unpleasant road, seeking to strengthen democratic institutions and the fundamental right of those governed. The constitutions and the laws that have been enacted over the years are full proof of this. We all know that the laws and the institutions are not what has hindered respect for human rights, but rather, the deep and damaging economic, social, political, and cultural conflicts that have affected our society on the one hand, and on the other hand—we must add without euphemism—the lack of political resolve shown by those who have assumed the responsibility of governing the country.

As president of the Republic, I reaffirm before the people and before its elected representatives, as well as before the peoples of the world and their governments, the solemn commitment to make every possible effort to fully reestablish human rights in Guatemala. As president of the Republic, I also call on the other branches of government, on the churches, universities, schools, business and workers' organizations, and even the insurgents who have taken up arms against the government and its institutions, to join in the collective effort to ensure maximum respect for human rights. I am willing to comply with the law and to ensure that the law is complied with, without discrimination. [applause] Hierarchies will not be able to go against the majesty of the law. The same will also apply to the privileged or those with financial resources. He who breaks the law shall be punished without exception. [applause] [passage omitted]

I recognize the meritorious work by the Guatemalan National Reconciliation Commission in furthering dialogue and reconciliation. Likewise, I give great importance to the task of continuing the talks already started in Oslo, Norway, with the insurgent groups. I shall also give great importance to any other effort to attain peace, using political procedures within the country's legal system to allow guerrilla groups to tranfer their claims and their reason for struggle to the political and democratic field. Along these same lines, an important aspect of our reconciliation effort is our obligation to all citizens who had to flee from their places of origin because of armed conflicts, and who are displaced or are refugees today. In this regard, I want to leave on record at this event our appreciation to the governments and peoples who have given shelter to our brothers and to those governments that are helping us with the return of these refugees. We recognize that this help from abroad is essential for the success of this effort. [passage omitted]

Due to the great lack of housing, joint efforts are needed by the government, municipalities, and communities to improve human settlements. We shall seek massive solutions to the shortage of cheap housing, as well as to ensure the supply of associated basic services. We shall uphold a policy encouraging rural housing programs, in order to halt and reorder the chaotic growth of urban centers.

Fellow party members, our slogan "Solidarity Action" will be put into effect because we are obliged to do so after receiving the people's support in this election. Together with the country's economic and social problems, we must be aware of the complicated and dangerous ravaging of our natural resources. Many of these

resources are used to resolve the energy problems of a large segment of our population. This could worsen due to the Persian Gulf crisis, which would cause fuel to become more costly. If we continue down this path of depredation and ravagement, ecological problems are just a few years away, and many of our means of subsistence will be destroyed. From the damage done to our beautiful landscape, we can see the damage caused to our environment and the abuses of our resources. As president, I shall encourage specific policies to combine protection to our environment in an adequate and economic way, with the rational exploitation of our natural resources.

Regrettably, to our traditional problems, we now have to add a new one: drugs and drug trafficking. These have rapidly grown and threaten not only our population but also the very essence of this democratic state. This problem symbolizes a true universal scourge, which takes us unprepared and challenges us to an unequal struggle simultaneously on many fronts, ranging from production and processing, through all the phases of traffic and consumption, to money laundering and the apparent legitimacy of the shameful profits. [passage omitted]

Nicaragua

Government To Create New Intelligence Service

PA1501142191 Managua EL NUEVO DIARIO in Spanish 8 Jan 91 pp 1, 8

[Text] The UNO [National Opposition Union] government will soon create its civilian intelligence service (meaning State Security). The difference, with regard to its Sandinist equivalent, is that the new agency will not arrest anyone and will be limited to supplying information to the police, who then make the arrest.

Government Ministry Spokesman Frank Cesar told EL NUEVO DIARIO that every government has its intelligence force. Therefore, he said, the Government Ministry is interested—although it is not its top priority—in creating a professional civilian security office that will be passed on to future administrations.

Cesar refused to report on the new security force's structure and its specific duties. He said only that it would not operate the same as the defunct DGSE [General Directorate of State Security] because it will not make any arrests.

Asked to explain "if some organization is currently carrying out the intelligence work for President Violeta Chamorro's government, he refused to answer, saying flatly: "I cannot answer that question."

Meanwhile, he announced forthcoming changes in the Government Ministry, in agreement with an organic law to be issued by the Presidency while making use of the powers it is granted by law.

Cesar noted that this law will make the Sandinist police's new name—the National Police—official. This will probably also hold true for Sinacoi [National Fire Prevention System], which will become part of, or will complement, the revived Firemen's Corps.

According to Cesar, one of the Government Ministry's main programs will be the creation of a narcotics police corps, as well as a special terrorist investigation unit. These two special forces will be trained by one of the friendly nations that has offered to carry out this assignment.

Cesar confirmed that the Government Ministry is placing special emphasis on the struggle against drugs because events seem to indicate that the international drug trafficking organization is looking for new centers in which to operate, among them Nicaragua. This is a result of the recent blows the organization has received in its traditional operating sites.

Cesar noted that after 10 years of war there is still much resentment and there are experts in the art of war who try to impose their political opinions on citizens who do not agree with them. Taking that into account, it is therefore necessary to organize an antiterrorist brigade.

Cesar also said that several ancillary programs, including the organization of the rural police, were cancelled due to budget cuts by the National Assembly. In addition, the original plan for a narcotics team will undoubtedly be reduced.

At any rate, the Government Ministry will increase the number of guards at the penitentiary centers. It will also create the Government Ministry's Civilian Inspectorate [Inspectoria Civil de Gobernacion], which will answer directly to Government Ninister Carlos Hurtado. The inspectorate will keep track of the conduct of its workers, be they members of the military or not.

The Civilian Inspectorate will start operating within one month at the latest, and will be managed by a civilian. "It will be similar to the one that operated some time back in the police force, with good results," said Cesar.

To conclude, Cesar stressed that the riot police (Black Berets) will be increased by 100 percent and, like the other units, will be trained with new techniques from several other nations.

Editorial Calls For Consensus Within FSLN

PA1501180591 Managua BARRICADA in Spanish 9 Jan 91 p 3

[Editorial by Carlos F. Chamorro B., son of President Chamorro and director of BARRICADA: "Begin at the Beginning"]

[Text] One single variable, the lack of fresh external resources, makes it possible to predict a worsening of the country's economic recession in the first half of 1991. If we add to this the accumulated acute social problems

such as the land issue, unemployment, and the implementation of a plan of adjustment whose cost will be considerable even in the best of cases, the result is a very shaky social and political equilibrium. With or without the concerted effort, national agreement, or whatever one chooses to call it, that is the dramatic picture for 1991. In the best of cases, it will be a renewed edition of the tensions that exploded in the last half of 1990.

The implications that this real trend imposes on the Sandinist commitment to renewal and democratization cannot be evaded. In 1990, the FSLN [Sandinist National Liberation Front] congress was postponed so that efforts could be concentrated on the search for a national agreement. Some of us opposed this at the time, but we bowed to the will of the majority. In 1991—at least from now until July, the new date for the congress—things will not be very different in terms of required political action by the opposition. The reality and the country's crisis will always be beyond the FSLN's capacity for response, unless in-depth changes are made within the organization. On the other hand, optimum conditions for an internal FSLN discussion will never exist, because we are not a group of academicians or laboratory specimens. The right conditions must be created within a situation plagued with contradictions. That is why we must begin at the beginning, with a method for our internal discussions, in other words, with what should be the ABC's of Sandinism.

I believe that the first challenge that the FSLN should face, before proposing to draft a program or choose leaders, is to agree on a political method, or rules of the game, that will permit us to advance toward a new consensus. This presupposes not just defining the scope of the congress and the many avenues of participation that will allow a broad representation within the heterogeneous Sandinist conglomerate, but also irreversibly expanding existing forums and opportunities for public debate, and creating those that are lacking. It also implies asking ourselves if it is possible to achieve ideological unanimity within Sandinism, or if we should instead aspire to preserve and restructure our political unity in a context of diversity, including ideological diversity, based on certain common basic principles. I lean toward the latter.

So far, internal discussion within the FSLN and public debate have been sporadic and polarized. Lack of confidence resulting from the electoral defeat and a lack of openness in certain actions sow dispersion, apathy, and bewilderment. Whenever political positions have been broached, an exchange of opinions has been threatened by intolerance, the old stigmatization, and even personal attacks. Within Sandinism, we all share the sin of having practiced, in the past decade, the recourse of discrediting the political adversary as the predominent form of debate. There is no point in discussing here whether or not that was valid or justified as a means of defending the revolution. I wish to emphasize that it is a structural defect in our way of thinking, and warn that unless it is eradicated in time, we will be trapped in ineffective polemics that tend to result in ideological terrorism.

I cite two examples to illustrate my point: Some months ago, William Grisby was accused of being a "CIA agent." "Payo" Solis, on the other hand, is now being called an "opportunist" because he has adopted a controversial political position that is different to that held by Grisby. Do Grisby and "Payo" perchance represent the extremes of Sandinism with the rest of us being in the middle? We are not even sure of that, because most of the people or sectors that hold political positions within the FSLN have not yet stated their positions, in some cases because they have no means or forums for doing so, and in other cases for fear of intimidation or of having their ideas countered with epithets instead of with more convincing political arguments.

Along the same lines as the discrediting practice is the tendency to hastily classify positions with labels that are moving us toward an absurd and false war of stereotypes. Hence the interminable gamut of tags that have appeared in the past few months, both in public and in private, pitting "extremists" against "co-governists," "pragmatists" against "dogmatists," "revolutionaries" against "social democrats."

There must be currents of opinion within Sandinism. I believe that it is healthy, necessary, and indispensable that the congress make it possible to legitimize and exercise that right within the framework of party discipline. To begin to apply sobriquets to each other when nothing or almost nothing has been discussed—we have not even embraced the principle of respecting the opinions of others—only helps to create a deafening noise that prevents us from listening to political positions. The worst thing that could happen would be for us to fall into a dialogue of the deaf.

Bank Orders 7-Percent Currency Devaluation

PA1501032991 Managua Radio Sandino in Spanish 1200 GMT 14 Jan 91

[Text] The Central Bank today decreed another cordoba oro [as heard] devaluation in relation to the U.S. dollar. It was devalued by seven percent. The new exchange rate is 3.43 million cordobas to the U.S. dollar. The previous rate was 3.21 million cordobas. This new financial measure will increase petroleum derivative prices. This was another adjustment measure by the government as part of its struggle against inflation.

* Poll Results on Economy, Social Problems Detailed

91CA0050A San Jose LA REPUBLICA in Spanish 8 Dec 90 p 6A

[Text] Most Nicaraguans feel that their families' economic situation is worse today than a year ago, although 38 percent blame the Sandinists for the crisis that Nicaragua is currently going through.

This is one of the findings of the most recent poll, conducted last November, by the Interdisciplinary Consultancy for Development (CID), an affiliate of the Gallup International Research Institute.

The Main Problems

Nicaragua is still beset by serious economic problems, which its inhabitants are not unaware of.

Some 76 percent of Nicaraguans are of the opinion that the economic crisis in general is their main problem, followed in order by the confrontation between the Sandinists and their political opponents (29 percent) and the "Contra" problem (19 percent).

They also feel very unsafe personally because of the increase in everyday violence, which they say is also caused by the economic crisis.

They feel that under the current government the problems of unemployment, violence, and unsafe streets have gotten worse, although most agree that they are a legacy of the previous regime, which was headed by Sandinist Daniel Ortega.

This perception of problems is shared by all Nicaraguans irrespective of party; most say that the situation is worse, regardless of their party preference.

The followers of Sandinism are of the opinion, however, that the worsening conditions in Nicaragua are the fault of Violeta Chamorro's government.

Cost of Living Rises

Some 72 percent of those polled by the CID say that the cost of living has risen sharply over the past four months, concurrent with the ongoing inflation that Nicaragua is experiencing.

The country's problem is apparently the cost of basic items, not their unavailability, in contrast to widespread opinion outside Nicaragua.

Some 90 percent of the population felt that with the exception of detergent, goods are not in short supply; what is lacking is the money to buy them. Most people think that the solution to the money problem is to introduce the gold cordoba, the currency with which the current government is seeking to replace the "old" cordoba, which has become completely worthless. Some 68 percent are in favor of the new currency; this is not surprising if we bear in mind that the exchange rate of the cordoba when the poll was conducted was about 1.8 million to the dollar.

Nicaragua's Hopes

The economic and political crisis has made many Nicaraguans pessimistic, though it has not destroyed all of their hopes.

A plurality (32 percent) expect conditions to worsen over the next two years, and Sandinists are the ones who are especially gloomy. The supporters of the current government are more optimistic, while those who say they back no party are divided in their views.

Only 27 percent of all the respondents expect that the future will be better, while 17 percent feel that the situation will remain the same.

What is the Nicaraguan people's biggest wish for the new year?

Twenty-five percent want to be free of economic problems; 23 percent want to be happy; 21 percent want to live in peace, and 20 percent want good health. The great majority agree, however, that peace is preferable to prosperity.

In spite of the violence, the economic crisis, and the political problems, the situation in Nicaragua does not differ much from that of any other Central American country.

Blame for the Crisis

Culprit	Percent
Sandinists	38
Government	26
Other	19
Don't know	17

Nicaraguans' Perception of Economic Situation

Description	Percent
Worse	57
Same	25
Better	15
Don't know	3

Nicaragua's Main Problems (percentages)

Problem	First Place	Second Place	Total
Economic crisis	53	23	76
Unsafe streets	14	—	14
Political confrontation	11	18	29
The Contras	7	12	19
Others (holdups, robberies, Civil Guard)	4	21	25
Don't know/no answer	11	26	—
Total	100	100	—

Panama

'Explosive Device' Hurled at U.S. Embassy

PA1501125191 Panama City ACAN in Spanish 1233 GMT 15 Jan 91

[Text] Panama City, 15 Jan (ACAN-EFE)—Early this morning an explosive device was hurled from a moving vehicle at the U.S. Embassy building in Panama City, a news source reported.

Circuito RPC Radio reported that the attack against the embassy located along an avenue of Panama City took place at approximately 0400 (0900 GMT).

So far neither the U.S. Embassy nor the Panamanian police have reported any casualties or damage as the result of the attack.

This action takes place at a time when the U.S. Army Southern Command, with headquarters in Panama, has announced that it has taken precautions to protect the lives and properties of the U.S. nationals in Panama, in view of the threats of international terrorist groups against U.S. targets.

M-20 Group Claims Responsibility

PA1501130391 Panama City Radio KW Continente in Spanish 1240 GMT 15 Jan 91

[Text] This is a last-minute report: Two M-67 fragmentation grenades [as heard] were hurled early this morning on the lawn of the U.S. Embassy in Panama City, an official source told KW Continente.

According to the source, one of the grenades exploded, but it did not result in any casualties or damage. The embassy authorities are examining the grenade that did not explode to try to identify the individuals responsible for this attack. This is the first attack to take place in Panama within the crisis currently affecting the world as a result of the Persian Gulf situation.

The U.S. Embassy in Panama has not made any comments about the attack, although it is expected to issue a statement within the next few hours.

After the attack, the M-20 guerrilla group telephoned Radio KW Continente claiming credit for the attack.

M-20 Issues Communique

PA1601144191 Panama City EL PERIODICO in Spanish 16 Jan 91 p 16

[Text] A few hours before the expiration of the UN deadline for the withdrawal of Iraqi troops from Kuwait, the 20 December Movement [M-20] issued a communique stating that if the United States wants Iraqi troops to pull out from Kuwait, it should set an example by removing its troops from Panamanian soil.

The M-20 communique states that the U.S. Government has placed the world on the verge of war, and adds: What authority does a nation, which invaded another (U.S. invasion of Panama) in violation of all principles of free coexistence and disrespecting the nonintervention agreements between the two nations, have to proclaim itself as world gendarme and guardian of the laws that it does not respect itself?

The M-20 urges "the entire world to turn its eyes to Panama and remember that our country has been the victim of a permament and repugnant military occupation by Yankee troops." It adds: "We will, with actions like this one [15 January grenade attack on U.S. Embassy], remind it (the United States) that we are a dignified people who want to live in peace, but are sufficiently courageous to forcefully eradicate them should this become necessary."

Finally, the M-20 expresses its support for the Arab peoples who are struggling to maintain their identity and are being currently threatened by the horrors of war.

This M-20 communique was delivered to EL PERIODICO's editorial room yesterday afternoon.

PLO Caller Claims Responsibility

PA1601002591 Panama City Circuito RPC Television in Spanish 2357 GMT 15 Jan 91

[Text] A man claiming to be a PLO [Palestinian Liberation Organization] member tonight claimed responsibility for the grenade attack on the U.S. Embassy perpetrated this dawn, while he warned about the possibility of new attacks if the U.S. military invades Iraq.

The person, who is said to be a PLO member, made a telephone call late this afternoon to the local newspaper LA PRENSA and said that the grenade attack had been a warning. The individual had a foreign accent.

Muslim Leader Denies Arab Role

PA1601134591 Panama City LA ESTRELLA DE PANAMA in Spanish 16 Jan 91 pp A-1, A-12

[Report by James Aparicio]

[Text] Dr. Abdul Khabber Muhammad, president of the Islamic Movement for Latin America and the Caribbean, has rebuffed the possibility that Muslims, Arabs, or Palestinians had anything to do with yesterday's attack on the U.S. Embassy. "If there was an attack, it was not carried out by the Muslims, Palestinians, or Arabs in Panama," Dr. Muhammad reiterated, cautioning that "they (the United States)" did it "to create panic among Panamanians."

The Muslim leader rejected Iraq's military intervention in Kuwait but explained: "We are equally opposed to U.S. intervention in the Middle East and its two-faced actions."

Yesterday in the early morning, an unidentified group hurled two grenades at the U.S. Embassy, without causing major damage, presumably to protest U.S. military deployment in the Persian Gulf.

"We are Muslims. Our stance is that there must be peace," Dr. Muhammad noted. He added that "Muslims are not fanatics" as they have been portrayed, but "we do believe in Allah and He decides if one lives or dies."

Dr. Muhammad stated that Muslims defend their brothers when they are attacked. He said he felt the United States wishes to establish military bases in the Middle East in an attempt to return to a policy

announced back in 1981. The Muslim leader stated that war "would be terrible" for the economies of the Third World because these countries have raw materials but have no control over prices.

Police Investigation Pending

PA1501193191 Panama City Circuito RPC Television in Spanish 1746 GMT 15 Jan 91

[Text] At 0420 today, two grenades were thrown from a vehicle at the U.S. Embassy building in Panama City. According to a press bulletin issued by the embassy information service, only one of the grenades exploded, outside the embassy compound.

The explosion caused a commotion in the Bella Vista neighborhood where the U.S. embassy is located. One of the building's windows was slightly damaged.

Later, members of the explosives removal unit of the U.S. Army and of the Panamanian Public Force arrived at the site. According to the U.S. Embassy official report, there were no casualties.

When we consulted with the director of the Judicial Technical Police about the incident, he told us that investigations have not yet begun, as he is awaiting a request from the embassy.

U.S. Troops Said Targeting Arab Terrorists

PA1501162691 Panama City EL SIGLO in Spanish 15 Jan 91 pp 1, 25

[Text] David, 14 Jan—U.S. Army troops have been patrolling different mountainous sectors of this province for more than a week, especially in areas near oil plants and the Transisthmian oil pipeline, which extends from Chiriqui to Bocas del Toro.

The operation, however, is not directed against terrorists of the former narco-dictatorship, but against a possible group of Arab Islamic terrorists who arrived recently in Chiriqui as tourists, invited by former Norieguista legislator Camilo Gozaine.

The heavily armed U.S. patrols in vehicles and helicopters, accompanied by Panamanian Public Force units, are deployed in the mountainous area along the oil pipeline and the border region.

The Arab "tourists" were photographed when they arrived in Chiriqui. U.S. Army military intelligence experts detected known terrorists among the group, who belong to three different Islamic organizations, all of which are fanatical defenders of Iraqi dictator Saddam Husayn.

The U.S. Army established its base at Enrique Malek airport of this city, but announced that it is cooperating with the Panamanian Government in civic work—repairing schools, health centers, and highways. This correspondent was able to see for himself that in reality they are conducting military patrols of the area and are on a maximum state of alert, as are all U.S. military bases around the world.

When we attempted to take photographs of Enrique Malek Airport, the military personnel courteously but firmly prevented us from doing so.

It is speculated that the Arab terrorists will attempt to blow up oil plants or at least the oil pipeline, which would be easy for it to plan, since it involves a 100-mile pipeline.

Impact on National Sovereignty Questioned

PA1501180691 Panama City Radio KW Continente in Spanish 1255 GMT 15 Jan 91

[Commentary by Tomas Cabal, acting host of "The Word" program]

[Excerpts] We have received reports from Panamanian businessmen residing in the [Costa Rican] border area of Paso Canoas saying that they are, quote, under the surveillance of U.S. troops, unquote. I was in Chiriqui Province over the weekend and noticed an increase in the number of U.S. troops who are presumably there to implement civic action projects under the banner Strong Roads-91 [Fuertes Caminos-91].

U.S. troops, however, are present virtually all over the country. They are at the border area, the highlands of Chiriqui Province, Veraguas Province, Chitre, Las Tablas, and Colon Province. They are all over the country. Television news yesterday reported that this project involves $16 million. We applaud any kind of cooperation coming from the United States.

Nevertheless, we feel that this is a very sensitive moment and the national authorities must realize that this is not an occupied country nor should it be an occupied country. [passage omitted]

I do not believe that patrols or the surveillance of Palestinian citizens or people of Palestinian origin at the border area should under any circumstances be carried out by U.S. troops nor that the Panamanian people or government should under any circumstances allow this to happen.

If the reports from people at the border area are indeed true, our station makes a vigorous call on the authorities and Government and Justice Minister Ricardo Arias Calderon to take action, because it is the U.S. troops who have a conflict with the Iraqi Government, which should not prompt Panamanians to implement surveillance operations or any other measures. U.S. troops should limit themselves to protecting their own installations and personnel. This country cannot allow this violation of national sovereignty. [passage omitted]

Endara Comments on Domestic, Regional Issues

PA1501135591 Panama City Circuito RPC Television in Spanish 2300 GMT 14 Jan 91

[Text] President Guillermo Endara rejected charges that U.S. soldiers are carrying out exercises in different parts of the country to establish new military bases. He said:

[Begin recording] [Endara] You should not be so suspicious. The clear and express intention of this exercise is to ...[changes thought] The United States has an Engineer Reserves Corps and has placed it at the disposal of the Panamanian people. The engineers, who are basically from the U.S. Reserves, come to build roads and to help us with our sick people and our students. They want to build schools and roads. They are definitely not holding military exercises. I wish soldiers all over the world would do what these soldiers are doing here now.

[Reporter] Is your government taking any provisions for the world war that is about to explode in the Persian Gulf?

[Endara] All we can do is to stock up on petroleum. Unfortunately, our reserve capacity is very limited. We have tried to buy as much petroleum as possible. Our reserves are totally filled....

[Reporter, interrupting] How long will this petroleum last?

[Endara] It will last a limited amount of time. You have to keep in mind that our reserves are very limited. I reiterate: Thank God that we have such fraternal countries as Venezuela and Ecuador, especially Ecuador, because it is selling petroleum to us and has promised to continue selling to us even in the worst of times. The war is going to be a world disaster. Panama is not the only country that is going to be left without petroleum. The entire world is going to suffer from the scarcity of petroleum. The Middle East is one of the strongest petroleum producers. Most of the petroleum used in the world comes from the Middle East. The situation is going to become so critical that I really believe we have to look at this problem from an overall point of view.

[Reporter] At the recent Central American and Mexican summit it was announced that Mexico would help the Central American countries. Nothing was said about Panama, however. What can you tell us about the situation with Mexico and [words indistinct]?

[Endara] You know that our relations with Mexico are lukewarm. In regard to the recent summit, Mexico does not consider Panama a Central American country. We believe this is correct in a sense. Panama is still not a full-fledged member of the Central American group. Historically, Panama has had most of its relations with South America and it has not been until now, in recent years, and especially in the past months, that Panama has leaned toward Central America. I would rather not talk about Mexico because I get into problems when I do.

[Reporter] The Christian Democratic Party has suggested that special meetings be held to approve constitutional reforms. Are you willing to call a special session to approve the reforms?

[Endara] I believe that the Christian Democratic Party is not alone in wanting this. I believe there is a positive climate in this respect and that, if we manage to reach an agreement on the constitutional reforms that are needed, a special session could be called. I believe this is the correct thing to do. If the legislative branch tells me exactly what it is they want in regard to constitutional reforms and I, the executive branch, agree with the position of the legislative branch, then it is very possible that we will call for a special session. I would not say that this suggestion was made by the Christian Democratic Party alone, however. I share this position, too.

[Reporter] Some people believe that there will be absenteeism in the forthcoming elections because the government has been dragging its feet and not responding to....

[Endara, interrupting] I do not believe this is true. I basically am of the opinion that these electoral circuits are far away from Panama City, and there is less campaigning, less political activity, as we understand it, in these places. [end recording]

Supreme Court Suspends Ad Hoc Commission Probe

PA1501161691 Panama City EL DIARIO INDEPENDIENTE in Spanish 15 Jan 91 p 3

[Article by Lionel Blaisdell]

[Text] Resolution No. 38 [issued by the Legislative Assembly], which sought to investigate the legality of the National Security and Defense Council, has been suspended by the resolution of the Supreme Court's Third Chamber for Administrative Disputes.

The court, basing itself on the law, issued its ruling on a null administrative dispute suit recently presented by Jose Miguel Aleman H. and filed by Herman Bonilla Guerra, who is acting as special legal agent.

In an administrative action, pro-government parliamentarians, especially those of the Christian Democratic faction headed by Gloria Moreno de Lopez, issued Resolution No. 38 on 29 December establishing an ad hoc commission to investigate the nature, legitimacy, and legality of the operations of the National Security and Defense Council and the advisability of having Menalco Solis [former minister of state under Noriega] act as its head.

According to the court's ruling, a preliminary review of this administrative action led to the conclusion that authorizing the existence of this ad hoc commission could seriously damage the separation of the three branches of government.

In this regard, the Supreme Court seeks to strengthen the new legal state that is moving away from power being concentrated in the hands of a single person or branch of government.

The ruling is effective immediately and thus canceled today's summoning of Presidency Minister Julio Harris by Legislator Gloria Moreno de Lopez Grimaldo, sister-in-law of Former Major Edgardo Lopez Grimaldo, General Noriega's former chief of information and press.

Deputy Minister on MLAA, U.S 'Occupation'

PA1501150191 Panama City EL PERIODICO in Spanish 11 Jan 91 p 13

[Article by Rey Barria]

[Text] "The United States has not been able to eliminate drug trafficking and it does not have any great moral authority to criticize Panama," Panamanian Deputy Foreign Minister Jose Raul Mulino has stated with regard to recent statements by visiting U.S. congressmen who said that drug trafficking and money laundering has reached alarming levels in Panama.

Deputy Foreign Minister Mulino added that "the United States is where there is more drug trafficking and money laundering and the largest consumption of drugs in the Americas." He expressed disagreement with the U.S. congressmen. He said he was quite concerned with what they said and denied that Panama has not made any big effort to control drug trafficking. He also noted that the country does not have the means or human resources to ensure that not a single gram of cocaine passes through Panama.

Last Monday the deputy minister met with the congressional delegation for 75 minutes. During the talks they discussed topics related to the Mutual Legal Assistance Agreement (MLAA) and "they explained their viewpoints and we expressed ours." Mulino said that they agreed that neither party wants to negotiate anything that violates their constitutions or domestic laws.

The negotiations on the MLAA have not been resumed, Mulino explained. He said that he hopes that a total revision of the counterproposal will be made, which will be presented to the United States prior to resuming the second round of negotiations. According to Mulino, the chief negotiator, the Panamanian proposal reflects the most important opinions voiced by groups that were consulted and the position that the agreement must not harm national interests.

The Panamanian deputy foreign minister said that Panama is interested in contributing to the struggle against drug trafficking and money laundering, but without causing risks to the Panamanian banking center. Asked about the exclusion in the Panamanian counterproposal of the point related to the taxes, which would pose a risk to banking confidentiality, Mulino said that it is better not to go into details of the agreement until the situation between the parties is ironed out.

The media asked the deputy foreign minister about the occupation of the provinces of Veraguas and Chiriqui by U.S. troops. He claimed to have no official report on the topic. He did say, however, that there are "community cooperation" projects similar to the "civic action" being carried out today by the U.S. Army, not just in these provinces, but in others as well. Mulino said that the United States helps community members to repair schools, roads, and to build wells, and is involved in a series of projects that the country needs in order to respond to the people's needs. They have offered their services without asking for anything in exchange. "In the political sense, with regard to the military occupation of the regions, such a thing is absolutely false," the deputy foreign minister commented.

This newspaper persisted in questioning about the frequent military convoys of military equipment and heavily armed troops and press reports that speak of the "combing of areas" in different regions of the aforementioned provinces. Mulino said he does not know if U.S. troops are taking part in patrolling operations in the mountainous region of Chiriqui. "I have no official information that U.S. military troops are staging military operations in those provinces," he reiterated.

Bank Representatives Appeal to Endara on MLAA

PA1501201291 Panama City EL PANAMA AMERICA in Spanish 15 Jan 91 p 7-B

[Letter from representatives of banks formed with Panamanian capital to President Guillermo Endara signed in Panama City on 8 January]

[Text] Panama City, 8 January 1991
Most Excellent Guillermo Endara Galimany,
president of the Republic.

Dear Mr. President:

We, the representatives of banks formed with Panamanian capital, believe that it is advisable to inform you of our position toward the Mutual Legal Assistance Agreement [MLAA] that your government is currently studying.

We are aware of the national government's efforts to achieve an agreement with the nation's best interests in mind through a special commission comprised of citizens who are highly qualified to carry out this duty. We have been briefed by the Foreign Ministry on the progress achieved so far.

We believe that there is a need to resort to all legal means to prevent the use of our country as a sanctuary for money coming from drug trafficking or other kinds of crimes. For this reason we wish to voice our support for the signing of a mutual legal assistance agreement not

only with the United States, but also with other nations interested in signing similar agreements.

Our position, expressed in conceptual form, is that our government must promote and sign an agreement that includes the investigation, prosecution, and suppression of crimes. We do not believe that those directly or indirectly related to fiscal or tax matters not specified in our laws, such as those pertaining to exchange rates or monetary matters, are among them.

We believe that the reputation of our country, its government, as well as our own reputation as active participants in banking activities, is above any other particular economic interest.

We are sure that the financial center will be strengthened to the extent that we show abroad our invariable position of maintaining a financial system that follows honest principles and is strict in its actions.

Very truly yours,

Banco Comercial de Panama, S.A.; Banco de Latinoamerica, S.A.; Banco Disa, S.A.; Banco Internacional de Panama, S.A.; Banco Panamericano, S.A.; Primer Banco de Ahorros, S.A.; Banco Continental de Panama, S.A.; Banco del Istmo, S.A.; Banco General, S.A.; Banco Panameno de la Vivienda, S.A.; Banco Trasatlantico, S.A.; and Towerbank Internacional, S.A. [signature of each representative appears above bank name]

Argentina

Menem To Share 'Resources' in Event of Gulf War

PY1601120491 Buenos Aires TELAM in Spanish 1017 GMT 16 Jan 91

[Text] Buenos Aires, 16 Jan (TELAM)—President Carlos Menem stated today that it will be difficult to stop an armed confrontation in the Persian Gulf zone, and he added that Argentina will support with resources those countries that will participate in the war. Once again the president called for a peaceful solution to the conflict.

The chief of state made these remarks to a radio station after watching a tennis match between Guillermo Vilas and Yannick Noah at the Lawn Tennis [two preceding words in English] Club here. The president also said: I believe this is a dramatic moment, referring to the situation of conflict in the Middle East, and added that all the countries in the world are calling for peace.

Menem considers that the situation is difficult and very delicate, and he stressed: I believe that there is going to be a confrontation, and if there is, he emphasized it will be regrettably quick, and it cannot last for more than four or five days.

Asked whether Argentina could suffer any direct consequences due to a war, Menem answered in the negative, and he added that our country has resources to overcome an energy crisis, which, he said, is going to be tremendous, adding that it is going to harm those countries that do not have energy resources, or that obtain them from the Gulf area.

We are awaiting events, Menem said, adding: I hope to God that there is no war. Nevertheless, Menem was pessimistic because at this time it is very difficult to avoid war.

Menem said there is no possibility that the war could affect our country, or the possibility is very slight. Menem regretted what might happen in the Gulf, but Argentina is not going to suffer the consequences of that confrontation, he maintained.

Menem also said that on 13 January, he spoke with U.S. President George Bush who also had very slight hope that this thing will be resolved through normal channels. Bush said that he did not want war, and Menem quoted Bush: "If we have to fight we are going to fight." This is what Menem's American colleague told him.

Menem stated that Argentina is going to provide resources, such as food, oil, and gas to those countries which will not be able to obtain them and which will need them, and he included Brazil, Uruguay, Paraguay, Bolivia, and Chile. Regarding the countries that will be involved in the confrontation, Menem indicated that if asked for food, Argentina is willing to provide it.

Expresses Solidarity With Bush

PY1501165691 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 15 Jan 91

[Text] President Carlos Menem expressed Argentina's solidarity with U.S. President George Busch at this difficult moment, and at the same time inquired about the situation in the Persian Gulf.

At the same time, the situation of Argentine troops stations in the Gulf zone continues to be analyzed by various Argentine sectors.

Presidential spokesman Humberto Toledo disclosed that during his phone chat with Menem, Bush said that he is making every possible effort to prevent war and that it would be absurd to believe that he is promoting it.

Toledo also said that the two Argentine warships in the zone in conflict can participate neither directly nor indirectly in an eventual war because they have not been authorized to do so by Congress.

Meanwhile, the Argentine Air Force Hercules C-130 which is in the Gulf zone is now in Riyadh, Saudi Arabia, arranging the evacuation of more than 50 people, among them Argentine, Mexican, and Chilean citizens who wish to leave the area, it was officially announced yesterday.

Cavallo Comments on Gulf War Preparations

PY1601143491 Buenos Aires TELAM in Spanish 1301 GMT 16 Jan 91

[Text] Buenos Aires, 16 Jan (TELAM) — A total of 20 Argentine citizens, together with citizens of other Latin American countries, departed early this morning for Rome on board a Hercules C-130, thus abandoning the Persian Gulf region as the UN deadline for Iraq to leave Kuwait expired.

This was reported by Foreign Minister Domingo Cavallo, who expressed his confidence that Congress will approve the executive branch's draft law that asks for authorization to allow the Argentine vessels in the Gulf area to give logistical support. We understand that the legislators will take into account the responsibility that we have as a member of the United Nations and will therefore approve it, he said.

The foreign minister indicated that of the 160 Argentines who live in the area, only 20 wanted to depart on this first flight from Saudi Arabia.

This flight, on which Venezuelans, Mexicans, Brazilians, and Chileans are also travelling, will arrive quite quickly in Rome, from where other flights will be made with the same objective, the minister stated.

The Argentine Government is concerned with ensuring that the Argentines in the Gulf area can count on a way to leave the zone, Cavallo indicated. He also stated that, in addition to the Hercules C-130, the Foreign Ministry

has prepared a Boeing 707, whose overflight permits are constantly renewed so that it can go to the conflict zone at any time.

Cavallo made it clear that the Argentine vessels, which are located 1,000 km from the Iraqi coast, are strictly carrying out the instructions of the Foreign Ministry; in other words, supporting the enforcement of the trade embargo against Iraq.

He stated that if Congress does not approve the executive branch's draft law, the vessels will continue to obey current instructions, and they will abstain from giving logistical support. Notwithstanding, he considered that a Congressional no would not be the adequate answer for Argentina.

In remarks to a radio station, Cavallo said that we understand that Congress will take into account the responsibility that our country has as a member of the United Nations and that Congress will approve the draft.

Cavallo said that if he is asked to explain to Congress, he will do so. I am fully willing to answer all the questions that the Foreign Relations and Defense Committees of the Chamber of Deputies wish to ask me.

Asked about an eventual terrorist attack in Argentina, the minister indicated that the security organizations have working for more than 60 days to prevent any type of attack.

Excludes Combat Role

PY1601025491 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2343 GMT 15 Jan 91

[Text] Buenos Aires, 15 Jan (NA)—Foreign Minister Domingo Cavallo has said that Argentine warships will remain in the Persian Gulf, but will not engage in battle until "Congress can discuss the executive branch's draft resolution on the matter."

Cavallo said the government "will guarantee that they do not engage in battle," adding that they will remain in the zone only to help enforce the trade embargo decided by UN Resolution 665.

The minister made these remarks this afternoon after a meeting with President Carlos Menem at the Olivos residence.

Cavallo also confirmed that President Menem had offered an ambassadorial position to Alberto Kohan, former health and social action minister, but added that Kohan "has not yet accepted."

Cavallo also reported that an Argentine Air Force C-130 Hercules plane will evacuate 20 of the 160 Argentine citizens who are still in the area.

Cavallo did not confirm the designation of Carlos Ortiz de Rozas as Argentine ambassador to the United States, replacing Guido di Tella. The minister said, however, that the government has already asked for the U.S. Government's approval of his designation.

Cavallo assured the relatives of the Argentine military men in the Gulf that "the government will guarantee that they do not engage in battle."

Military Chief Discusses Role of Gulf Forces

PY1601021091 Buenos Aires LA PRENSA in Spanish 11 Jan 91 pp 1, 3

[Report on "exclusive" interview with Admiral Emilio Osses, chief of the Joint Staff, by Juan Mario Coria on 10 January; place not given]

[Text] Relief of the Argentine ships in the Persian Gulf will depend on the government's political decision if war is declared in the area. "No diplomatic solution is foreseen before 15 January. As of that date, war could be declared at any time."

On the morning of 10 January, Admiral Emilio Osses, chief of the Joint Staff, was interviewed by LA PRENSA on the Persian Gulf crisis. He said a peaceful solution to the conflict is very remote.

Asked why the destroyer Almirante Brown and the corvette Spiro will not be relieved on 15 January as was established in principle, Osses said that payment of the necessary funds were expected. He said Kuwait had just deposited $18 million; consequently, both the frigate La Argentina and the corvette Rosales will be ready to make a crossing that will last approximately 35 days.

Osses said: "At a certain point in time, Argentina will have four ships in the Persian Gulf."

He said the two ships that are in the Persian Gulf will not leave the area until the "change of guard" occurs; that is, they will stay there until the arrival of the ships that will relieve them.

Our meeting with Admiral Osses was aimed at learning the future of the Argentine Navy officers if a war is declared after 15 January.

Before answering our question Osses described the activities being carried out by the Admiral Brown and the Spiro.

Osses said: "They are performing their normal tasks. They sail for 12 to 14 days, then they dock at a port for two or three days to load supplies." He made it clear that the ships dock at the ports of Abu Dhabi and Dubayy in the Arab Emirates. "We prefer this area for resupplying the ships."

"They continue to support the UN-ordered embargo. A weekly meeting is held with the chiefs of the other squadrons to exchange opinions on the areas to be patrolled. These meetings are attended by (ship-of-the-line) Captain Rosenthal."

"They also escort ships from other countries that are providing logistical support to the area," Osses said.

We again asked what would happen if war is declared. It is believed that in the event of a war, Iraq will not choose ships participating in the blockade as targets "unless an aircraft carrier is involved in it."

Osses said Iraq does not have enough ships to engage in a naval battle. "It does have many fighter planes, but we believe the targets are on the ground."

He said the Argentine ships have not been ordered to participate in a battle. It is up to the government to make a political decision in this regard, he added.

Asked whether the Argentine ships "will hoist the white flag" if they are attacked, Osses smiled but did not answer.

According to reports published a few days ago in LA PRENSA, the climate plays a key role in the development of hostilities. We were told about the daily sandstorms and the major change in temperature that begins in March.

Osses confirmed this report. He recalled that during his Christmas visit with the Argentine Navy officers, the temperature ranged between 16 and 20 degrees centigrade during the day and dropped to 4-6 degrees centigrade at night.

He again confirmed that hostilities could begin at any time after 15 January if no diplomatic solution is found to the problem.

Osses said: "All countries are trying to find a solution, especially Kuwait" because it is known that this small country would be the most seriously damaged.

Osses said an Argentine Air Force Hercules C-130 aircraft, which is about to take off tonight, will carry spare parts for the ships, food, and even an Alouette helicopter that was seriously damaged when it crashed in the sea some time ago. [as published]

The huge aircraft has been ordered to evacuate Argentines who request it and take them to Europe on its return flight to Argentina. In the event of an evacuation, the Argentines may be taken to Rome.

Meanwhile, a Boeing 707 airplane is in Buenos Aires and can take off with 48 hours notice to evacuate Argentines who did not want to leave in the Hercules aircraft.

Osses reasserted that the Argentine ships will not leave the Persian Gulf under any circumstances unless they receive specific orders from the Argentine Government. He said they will stay there until the arrival of the relief ships. He kept silent when he was asked about what the ships will do if they are attacked.

We have learned, however, that in the event of an attack the crew will not hoist the white flag.

Demonstrators Call For Withdrawal From Gulf

PY1601031091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2222 GMT 15 Jan 91

[Text] Buenos Aires, 15 Jan (NA)—Nearly 5,000 people marched on Congress tonight to ask for the "immediate" return of Argentine troops stationed in the Persian Gulf and for Argentina "to side with Iraq" if an armed conflict breaks out.

The demonstrators, who responded to a call by leftist parties and organizations, walked from the corner of Callao and Corrientes to Congress and shouted slogans against President Carlos Menem and in support of Iraq.

Movement to Socialism [MAS] Deputies Luis Zamora and Silvia Diaz, Workers Party leaders Nestor Rapanelli and Pablo Resnik, and communist leader Julio Bambina led the march. Carrying a large red flag with the saying "Let Us Fight Together With Iraq" printed on it, the demonstrators marched down Corrientes and turned on Mayo Avenue to the Congress building. They disbanded there without any incident.

National Deputy Luis Zamora said the march's objective was "to ask for the immediate return of Argentine troops stationed in the Persian Gulf and to tell the government that if an armed conflict breaks out, our interests will be with Iraq."

To that end, the deputy anticipated that he will introduce a bill in Congress because "Argentina cannot remain neutral in this conflict, but cannot side with the United States either."

Members of the MAS, Communist Party, Broad Front for Liberation, Workers Party, Peoples' Democratic Left, PTS [expansion unknown], and Labor and Peoples' Party participated in the march, shouting strong slogans in favor of Iraq and against the United States. As their column reached the Obelisk, demonstrators burned an American flag, a gesture that was celebrated by all marchers.

Iraqi Diplomats Said To Issue Threats

PY1501173891 Santiago Television Nacional de Chile Network in Spanish 1714 GMT 15 Jan 91

[Text] Our last report, which is datelined Buenos Aires, says that Iraqi diplomats in Buenos Aires have said that if war breaks out in the Persian Gulf, no U.S. interest in the world will be safe. (Multik Muchin), assistant secretary of the Iraqi Embassy in Argentina, said that 200 million Arabs and 1 billion Muslims around the world will react to the U.S.-Zionist aggresion.

The Iraqi warning, issued through the Iraqi Embassy in Buenos Aires, says that no U.S. interest will be safe.

Menem Appoints Defense, Labor, Health Ministers

PY1501222091 Buenos Aires TELAM in Spanish 2150 GMT 15 Jan 91

[Text] Buenos Aires, 15 Jan (TELAM)—Presidential spokesman Humberto Toledo has announced that President Carlos Menem completed his cabinet by appointing Rodolfo Diaz as labor minister, Avelino Porta as health and social action minister, and Guido di Tella as defense minister. Toledo said the new ministers could be sworn in tomorrow night in a ceremony at Government House.

Toledo made the announcement to reporters waiting on Villate Street, near one of the entrances to the presidential residence.

Diaz will replace Jorge Triaca as labor minister; Avelino Porta will replace Alberto Kohan; and Guido di Tella will replace Humberto Romero.

Federal Intervenor Appointed in Tucuman Province

PY1501175891 Buenos Aires TELAM in Spanish 1732 GMT 15 Jan 91

[Text] Buenos Aires, 15 Jan (TELAM)—After a meeting with President Carlos Menem at the Olivos residence, Interior Minister Julio Mera Figueroa has announced that Julio Cesar Araoz has been named Federal Intervenor in Tucuman Province.

The minister indicated that the Federal intervention will be maintained until constitutional authorities are elected in the upcoming 8 September elections.

Mera Figueroa reported that the president signed the respective intervention decree on 14 January due to the serious institutional situation in that province.

Julio Cesar Araoz, a Justicial leader from Cordoba Province, was national energy secretary until a very short time ago.

Jose Domato, the provincial governor up to today, has various conflicts with provincial employees and with pensioners, who are carrying out demonstrations demanding that they be paid.

Judge Requests U.S. Testimony in Swift Case

PY1501205891 Buenos Aires TELAM in Spanish 2030 GMT 15 Jan 91

[Text] Buenos Aires, 15 Jan (TELAM)—Federal Judge Miguel Pons has asked that U.S. Ambassador Terence Todman testify on alleged corruption in the Swift-Armour case. It was learned from judicial sources that the request was sent to the Foreign Ministry along with a list of questions for the U.S. ambassador, who has the right to answer in writing because of his position.

The sources added that Carlos Alberto Galli, vice president of Swift-Armour, and reporter Horacio Verbitsky testified today in this case.

Lithuanian Emigree Group Deplores Soviet Action

PY1501161091 Buenos Aires LA PRENSA in Spanish 12 Jan 91 p 3

[Text] The Pro-Liberation Committee of Lithuania has issued a communique in Argentina. It is signed by Alejandro Miciudas, president of the committee and by Hector Katinas, secretary.

The communique states: "The Lithuanians and their descendants living in the Republic of Argentina, express through the LIKAR [expansion unknown] our strong repudiation of the threats of the Soviet President Mikhail Gorbachev and of the permanent aggressions perpetrated by the Soviet Army troops against the Lithuanian citizens, who massively and peacefully supported the Soviet authorities and who on 11 March 1990 restored their independence after 50 years of Communist power.

"We condemn the violent takeover of Lithuania by Soviet tanks and paratroopers—in an sterile demonstration of power—aimed at frightening the Lithuanian people and at forcing the youth to comply with the compulsory military service in the Soviet Army, which in 1940 occupied its territory as a result of a sinister pact between Hitler and Stalin.

"Now that Europe is consolidating its peaceful coexistence, and in the face of the virtual disintegration of the Warsaw Pact—in fateful paradox—Soviet tanks came to Lithuania perhaps to repeat the Hungarian massacre of 1956 and Czechoslovak massacre of 1968. They may repress the Lithuanian people but they will not be able to eliminate their deep faith and their right to live in freedom. Ideals can not be killed. Like David, we believe that Goliath will fall.

"Mr. Gorbachev is not unaware that the Soviet empire, just as it was conceived, is deteriorating due to the complete failure of the Marxist policy implemented in that country. His proposal to install a so-called 'new union' of subjugated republics is therefore unacceptable because it 'will be the same thing.' Furthermore, nobody wants to remain in a sinking ship."

The communique concluded by saying that "the Soviet president should have honored the Nobel Prize he was awarded by promoting peace in Lithuania. With his aggression he will just disappoint those who awarded him that prize."

*Income Disparity Worsened During Last 15 Years

91SM0132A Buenos Aires CLARIN in Spanish 25 Nov 90 p 22

[Report by Adriana Lauro]

[Text] Scarcely 1.2 million Argentines have significant buying power. They and their families (close to five million people in all) have become the domestic market in the wake of repeated economic austerity programs.

The gap between upper-income groups and those earning modest wages has widened over the past 15 years. In 1990, the cost of living of the upper class rose by around 1,500 percent, whereas the family shopping basket of most workers cost about 1,200 percent more.

The successive economic austerity programs that Argentines have been subjected to have finally managed to fracture the domestic market. On one side are yesterday's savers, who lived off time deposits and now have dollars among their reserves. Stranded on the other is the majority of the population, who work and do a juggling act to make it to the end of the month with the shrinking wages that they receive. The more than 7.5 million have-nots who are carrying the country on their backs are off the consumption map; they represent a third segment of society that is becoming isolated even from government solidarity.

This Latin American-style social sinkhole has been expanding steadily for 15 years, according to a study that sociologist Adriana Marshall has conducted on the topic. She asserts that almost all of the economic clout that wage-earners have lost has been gained by high-income individuals.

Therefore, when the administration talks about a recovery of consumption, it indicates only what it happening with the 1.2 million persons who still have a significant savings potential. "They, plus the families that depend on them, make up the five million familiar faces who plan their vacations in Miami, crowd the roads towards the country clubs on weekends, and fill the restaurants on Recoleta," says Juan Cayetano Olivero, the economy director of Pistrelli, Diaz, and Associates.

The next social stratum consists of around 1.5 million people who make close to $3,000 a month. This group and the previous one account for much more than half of national income. The more than 7.5 million workers whose wages average around $600 are living lives of hardship, and although the people who design economic policy are not much interested in them, they are missed by store owners.

Social Strata (Monthly Income)

Income	Number
More than $3,500	1,200,000
$3,500	780,000
$1,500 to $3,500	650,000
$600 to $1,500	3,100,000
$600	1,500,000
Less than $600	3,100,000

Source: Data from Juan Olivero, economy director of Pistrelli, Diaz, and Associates

The Affluent

As we can see from an IDEA (Institute for the Development of Entrepreneurs in Argentina) survey, the budget of an affluent home was close to 30 million australes last month. A mid-level management executive can cover such expenditures with the $6,000 or so that he makes a month, according to private polls. They too are complaining, however, because the price of their shopping basket went up more than the inflation rate, around 1,500 percent over the year.

For the wealthiest families, the wages of domestic help, health insurance, the dry cleaners, and heavy public-utility bills ate up almost 10 million australes last month, almost one-third of the income of an area manager. In contrast, food accounts for half of the budget of the poorest Argentines.

"Our income is in line with international pay," explains the general manager of a multinational, "and a dollar that loses ground in an Argentina that inflates prices in foreign exchange disappears all too easily. Every day we have less left over."

Wage earners in industry remain worried because with the mere 2.2 million australes that they make, according to the FIEL [Latin American Economic Research Foundation] survey, they can cover only 40 percent of the expenditures that INDEC [National Institute of Statistics and Census] says a typical family should spend on its shopping basket, 5.7 million australes (1,200 percent more than last January).

In any event, there are "symbolic consumer items," such as chorizo sandwiches, that still give satisfaction to humble regular buyers. Since January their price is up 90 percent, compared to the 2,400 percent hike that the affluent who eat in restaurants have been hit with.

Far from worrying that a chorizo sandwich costs the equivalent of two short trips in a minibus, the buyers of luxury cars, whose dollar price rose threefold this year, are also complaining. And this is not their only anxiety. Private schools increased their fees more than 20-fold; the cost of their apartments and country clubs rose ninefold; berths in marinas cost 12 times more than in January, and many other of their expenses rose faster than the cost of living.

The statistics would seem to favor the poor, who are receiving the benefits of a cheap dollar when they go food shopping (the price of a liter of milk went up almost sevenfold this year). They are also helped by the trend in commuting costs, as a minibus ticket in Greater Buenos Aires is up less than fourfold.

Alberto Minujin, a specialist in studies on poverty, sums it up: "This does not mean that the unequal distribution of income has changed. It would be absurd to think that the workers are better off, because there has been no real recovery in wages." The sociologist adds: "In the greater metropolitan area most of the new poor are shop owners, and turning on the lights, using gas, or picking up the telephone means cutting back on their family food budget in many cases today."

The study that costs expert Alberto Abbate conducted in this regard shows the inequality of the burdens. The increases in rates for minimal service stood at over 3,300 percent for the telephone, more than 1,400 percent for gas, and more than 2,900 percent for electric power. The bills of those who live in greater luxury increased more moderately, as the price of electric power and gas for them was up less than 800 percent, while telephone service costs 3,600 percent more now than in January.

Price Differentials

The League of Housewives has found that the haves do not always pay less. "In the poorest neighborhoods, like Pompeya, Liniers, or Chacarita, food is at least 20 percent less expensive," comments the league's president, Lita Lazzari.

"By and large, when sales fall, the effect is felt in all areas, but in those where purchasing power is highest, more expensive brands are for now being replaced with more economical ones. The consumption of fine wines has dropped very sharply, though," says Mario Tinto, the manager of Norte supermarkets.

Merchants, industrialists, and suppliers of personal services know, however, that the recession has left them a small niche: the high-income earners. And they are directing all of their efforts towards meeting the needs of these social classes. There are exclusive buyers. The domestic market has shrunk so much today that an entire country of 32 million inhabitants is watching as 5 million people with large buying power spend their money.

The Two Faces of Income

Upper income	
Cost of shopping basket (October)	31 million australes
Able to cover	100 percent
Breakdown of expenditures (percent)	
Food and beverages	16
Housing	17
Car	12
Clothing	7
General spending	8
Utilities	32
Other durables	3
Reading and recreation	1
Education	3
Transportation	1
Total	100
Lower income	
Cost of shopping basket (October)	5.7 million australes
Able to cover	40 percent
Breakdown of Expenditures	(percent)
Food and beverages	40
Clothing	9
Housing	9
Home furnishings	8
Health care	7
Transportation and communication	12
Recreation	6
Education	3
Goods and services	6
Total	100

Source: FIEL, IDEA and market data

Bolivia

ELN Issues Threat Against U.S., Other 'Missions'

PY1501122291 La Paz Radio Fides Network in Spanish 1100 GMT 15 Jan 91

[Excerpts] At approximately 2145 last night, Radio Fides received a National Liberation Army, ELN, communique, which was slipped under the door of the radio building. The communique, which was typed on a white letter-sized sheet of paper, has two headlines: "The (Harrington) Massacre" and "The Persian Gulf." Markers have been used to emphasize some words. We will now read the communique.

To the Bolivian people: On the eve of MIR [Movement of the Revolutionary Left] Loyalty Day, 15 January and, open parenthesis, shortly before the expiration of the Persian Gulf deadline, close parenthesis, the National Liberation Army hereby addresses its people to express its worries, concerns, and resolutions.

The (Harrington) Massacre

[Passage omitted criticizing government and making reference to anniversary of massacre of unspecified number of Bolivians on 15 January 1980 and on 5 December 1990 at hands of local dictatorships]

The Persian Gulf

U.S. imperialism has once again shown that it does not care about the life of nations or about humankind's destiny. With the sole purpose of imposing its hegemonic policy, it is about to unleash a conflict of unpredictable consequences.

The struggle of peoples for peace has begun. Therefore, all revolutionaries of the world should be ready to strike U.S. imperialists where it will be most painful to them and where they will be less [words indistinct], to attack them wherever they are, and to make them feel like wild animals that are harrassed wherever they go.

In this regard, the ELN hereby voices its decision to confront imperialism and its indigenous cognates. If Iraq

and the Arab peoples are attacked, we declare the missions [representaciones] of the countries involved in the aggression and the multinational companies which are vehicles of imperialistic exploitation in our country will be military targets.

The sacrifice of a man or of a people, or the danger through which they must go, do not matter when the destiny of humankind is at stake.

The ELN hereby summons its detachments, militants, and all (?ELN members) to strike with initiative and independence, because we are aware that our (?line of) action will unite and organize us and will channel all resources toward the fight. Victory or death. We will win.

The communique is signed by the National Liberation Army.

Antiwar Demonstration in Front of U.S. Embassy

PY1501125891 La Paz Radio Fides Network in Spanish 1100 GMT 15 Jan

[Excerpts] The United States and Iraq have begun the countdown for war in the Persian Gulf. [passage omitted]

As hours pass and as we approach the deadline for the beginning of war, Bolivian labor, political, and civic organizations have rejected this threat, which will undoubtedly have tragic consequences.

[Begin unidentified speaker recording] Long live the Iraqi people! [crowd shouts: Long live the Iraqi people!] Long live the Third World peoples! [crowd shouts: Long live the Third World peoples]. [end recording]

In a desperate action the Bolivian Labor Confederation [COB] and the political organizations condemned the war, which will bring serious economic and ecological consequences, during a demonstration in front of the U.S. Embassy. The demonstrators demanded that the U.S. Government withdraw its forces from the Saudi desert. The demonstration was staged this morning.

Speaking from one of the garden areas along the sidewalk of the U.S. Embassy, COB Secretary General Daniel Santalla said:

[Begin Santalla recording] The United States has no moral right to intervene in Iraq, much less to demand the Iraqi withdrawal from Kuwait, [shouts] because the United States intervened in Grenada and in the brother nation of Panama. The blood of thousands of innocent people from Iraq and from Middle East nations can be shed. This action can bring ill-fated consequences for the peoples of the Third World, because we, the peoples of the Third World, like it or not, live on imports [as heard]. [end recording] [passage omitted]

CNPZ Vows To Struggle To Free Jailed Members

PY1501145491 La Paz Radio Fides Network in Spanish 1100 GMT 15 Jan 91

[Relay from Sucre]

[Text] At 0530 today, Radio Loyola received a letter addressed to a program aired at that time. The letter is signed by the Bolivian National Liberation Army, CNPZ [Nestor Paz Zamora Commission], second (?D) [expansion unknown], and it is headlined "To the Bolivian People—To Face the Reactionary Lie, the Revolutionary Truth."

The central part of the letter-document states: In the wake of the actual and unquestionable situation that has decisively affected the destiny of our people, some democratic reformers [words indistinct] or the charlatans and pseudo-revolutionaries, who shout liberation slogans but who are unable to take action, have sought to depict us as vulgar murderers or misguided people. They do not take into account the brutal and inhuman murder of our companeros and the trial of the detainees, who were jailed because of their commitment to our total liberation.

Our action will now aim at freeing them and at freeing the people from the claws of the injustice in which we live and, quote, justice will be done to them, unquote, in the same way in which, quote, they were incriminated, unquote. Our answer will soon come. We reiterate that hostilities have begun.

The communique said: We will remain faithful to our revolutionary position.

[Signed] Bolivian National Liberation Army, CNPZ, second (?D).

The director of Radio Loyola will forward this document to the appropriate agencies.

Defense Ministry Charged With 'Irregularities'

PY1501235891 La Paz PRESENCIA in Spanish 6 Jan 91 p 7

[Text] (ANF)—The charges of management irregularities at the Defense Ministry that were published by the press a few days ago and attributed by ANF to a "senior military officer," were given to that agency by General Carlos Crespo, aide to the Armed Forces commander in chief.

Defense Minister Hector Ormachea has downplayed these charges because he considers them "anonymous;" General Crespo asked ANF not to publish the name of their informant with the promise that he would make the charges public "in the next few days."

Because ANF could not keep this information secret, it asked Crespo to make these charges under his name.

This proposal was accepted by Crespo, but those charges were not delivered to ANF before the report went to press.

The note released by ANF on 30 December reporting the charges by General Crespo included the following paragraph:

"The officer close to the Armed Forces high command who made the series of unusual charges asked that his identity be kept secret for security reasons and institutional discipline. He said he will make official charges in due time."

Asked about the charges that were published, General Jorge Moreira Rojas, the Armed Forces commander in chief, told journalists that "administration (of the Armed Forces) is a matter that only concerns the Defense Ministry."

Moreira Rojas said, however, that the charges by the officer have caused concern among Armed Forces commanders.

Army Commander General Guido Sandoval asked that the officer who made the charge identify himself and show the necessary evidence "because it is easy to make charges against a person without giving names and evidence."

* Sixth National PCB Congress Adjourns

91SM0145B La Paz HOY in Spanish 18 Dec 90 p 12

[Text] The Sixth Congress of the Communist Party of Bolivia (PCB) has reaffirmed its socialist convictions about history, that is to say, the organized struggle of the people to take political power and transform society. It also made a fresh appeal for leftist unity to build a front that would become the vanguard of the workers and the people.

At the close of its deliberations yesterday the Communist Congress elected Jorge Ibanez the first secretary of its Central Committee, replacing Humberto Ramirez.

In his closing address, the first secretary-elect said that the Sixth Congress, which brought together more than 500 delegates from all over the country, came out in favor of scientific socialism, which in the political sphere means struggling for the democracy of the masses so that with the participation of the people we can build new institutions in the country that will guarantee, among other things, the social ownership of the means of production.

He indicated that among the resolutions that were approved, the congress ratified the political position paper, the program guidelines, and the bylaws passed in 1986, with some updatings, because he felt that these documents still reflect the country's realities and the Marxist-Leninist communist line.

"Once it was purged of factionalists, opportunists, self-seekers, and renovators, the Communist Party demonstrated its lofty spirit of renewal so that we could become better Communists, disdaining everything that contradicts Marxist-Leninist principles and accepting changes that improve our proposal to the country and our relationship with the masses," Jorge Ibanez asserted.

Also speaking at the closing ceremony were delegates of the Communist parties of Chile, Peru, and Panama. They all emphasized that in spite of the current internal and external difficulties, the PCB is a valid representative through which democrats and revolutionaries can continue the struggle against imperialism and the oligarchy in order to install socialism as a superior way of life.

Miguel Alvarez Installed as Navy Chief of Staff

PY1501142891 La Paz PRESENCIA in Spanish 1 Jan 91 p 7

[Summary] During a ceremony at the Navy command headquarters in Bajo Seguencoma, Navy Commander Vice Admiral Rolando Herrera installed Vice Admiral Miguel Alvarez Delgado as Navy chief of staff.

Impact of Eradication on Cochabamba Industry

91WD0272A La Paz HOY in Spanish 16 Dec 90 p 9

[Text] When the issue of the economy is brought up in the department of Cochabamba, particularly its established industry, a chill almost runs down people's spines because this industry, this commerce, this economy has obviously been sustained artificially in recent years by the illegal cocaine business.

And the shivers intensify when we realize that last year's boom was complemented by a short-term bonanza stemming from the demand for manufactured goods on Peruvian markets owing to the acute crisis that our neighbor is in.

So, Cochabamba industrialists are asking themselves: What is going to happen after the artificial coca-cocaine economy vanishes with the eradication of crops and drug trafficking? What is going to happen when Peru overcomes its economic problems and no longer demands manufactured goods from Bolivia and, in this case, Cochabamba?

We sought answers to these questions and possible ways of dispelling the uncertainties from the authoritative president of the Departmental Chamber of Industries, Gerardo Wille, an engineer by profession, who agreed to talk with HOY.

Wille began by admitting that at present Cochabamba is a very troubled region because of the heavy influence that Chapare has managed to exert. Chapare, he said, is today virtually the hub of an artificial economy created by coca-cocaine. It too is starting to disappear, and the region is susceptible to a general, not just an industrial crisis, because certain industries, commercial activities,

real-estate transactions, etc. are slowly grinding to a halt. To this we must add the acute problem of water shortages, which has an adverse impact on the development of industry, creating problems and discouraging or frustrating those who would like to invest in our region, the business leader stated dramatically.

We feel that this has been a tough year for some industries, although others have adapted to conditions and are taking advantage of the demand for goods from the Peruvian market, while smuggling from Brazil has declined strikingly, Wille remarked, adding that the main demand for these goods is on the local and national market.

Coca-Cocaine Influence

Although it is difficult to say exactly how many coca-dollars are actually in the economy, Wille admitted that this activity has injected a great deal of money into commerce in general, thus generating an artificial, circumstantial, and unquestionably illegal boom. This is not good, however, Wille noted, because the formal economy is falling apart, and as a result many industries are already in trouble because they can no longer compete as the informal economy gradually disappears.

For example, he mentioned, we do not know how long many finance companies that have been set up in Cochabamba can keep their relative boom going. We do not know much about these finance companies, and as two or three years ago in Santa Cruz, they may trigger collapses and cause unrest or disasters because they represent a fictitious financial market.

How the Short-Term Situation Ought To Be Handled

Asked whether private enterprise has taken any action since these negative symptoms were detected, the president of the Chamber of Industries said that not long ago a forum was held to analyze the condition of Cochabamba industry and its development prospects.

We have come to the conclusion that formally established industries must try to open up plants in Chapare. In this region we have a great many items that can be processed, and in general those investing in Cochabamba, whether Bolivians or foreigners, have to lose their fear of Chapare.

At present there seems to be a wall between the formal and informal economies, a subjective wall determined by circumstances but one that has to be pierced.

We have to move the formal economy into Chapare, he said, not allow Chapare to move into urban areas. This is important, and we contend that industry in Cochabamba still has a future, thanks to the excellent location of Chapare, not just because it consists of lowlands but also because it is in the center of Bolivia, from which products ought to be spreading to every corner of the country.

And What About the Environment?

This is a major problem in Chapare. If we allow the damage to continue, it could become irreversible, owing to the residues from the manufacture of cocaine, which flow into rivers, besides indiscriminate deforestation, which causes other problems.

Those of us industrialists who want to move the formal economy into Chapare and do things as they ought to be done will be the ones who will prevent continued destruction of the environment, because this is still a richly endowed region.

Alternative Plans

He then revealed that industrialists are also looking into alternative programs and plans because they feel that they can help to replace coca crops with agro-industrial projects.

Just last week, he said, we met with authorities from the Alternative Regional Development Project (PDAB) and visited Chapare. We are also contacting other agencies, mainly to raise funds and develop projects.

If we bear in mind the risks entailed in a decision to move into Chapare, he said, answers must be found to make the investments less risky. We are proposing that the government should establish separate rules for this area, not subsidies or protectionism, but rather certain breaks, such as low interest rates on loans, in order to give businessmen incentives, he added.

Joint Ventures

As for the creation of joint ventures, Gerardo Wille maintained that the the government has made a very wise move. Assembly plants and joint ventures are positive alternatives, even though for the time being this is a slow process and the results will not be seen until the medium term.

We must not lose hope, however, if a project does not pan out, because a great many things are gradually being done.

One joint venture in citrus-fruit processing is practically in the final stage before startup, he said. And we in the chamber are pushing for the creation of a pilot industrial park within a miniature customs-free and assembly-plant zone, which could pan out this year with government support.

Controlling Precursors

Cochabamba is, of course, the nerve center for controlling precursors, the businessman and engineer said. Yet we have very good relations with the Interior Ministry, which through the Undersecretariat of Social Defense set up its offices in our chamber, thus facilitating such control.

The industries that normally use many chemicals that are now regarded as precursors under Law 1008 have

suddenly had to cope with this problem of controls, our interviewee said in conclusion, underscoring that, fortunately, the supervision of handling is proceeding without complications owing to the high level of understanding that has been achieved.

Inflation Rate for 1990 Hits 18 Percent

PY1501142291 La Paz PRESENCIA in Spanish
3 Jan 91 p 4

[Summary] The National Statistics Institute issued an official report stating that the accumulated inflation for 1990 reached 18 percent, six percent more than what the government had planned. The inflation rate for December 1990 alone was 2.2 percent.

* Growth of Informal Economy in 1980's Viewed

91SM0145A La Paz PRESENCIA in Spanish
14 Dec 90 p 4

[Text] The informal sector in the country's cities expanded about 10 percent in the 1980's. This one indicator shows the importance of the sector: in 1987, 55 percent of all jobs in our main cities were linked to the informal economy.

The most recent newsletter of the consulting firm Moreno-Muniz, Price Waterhouse, "The Economy for Executives," contains a special report on the informal economy. It recalls that economic activity that goes unrecorded is not a recent phenomenon in Bolivia.

At various times and in various places the informal economy, also called the underground economy, has enabled certain segments of the population to earn income, which has not been recorded or taxed by the existing legal or institutional order, it adds.

Referring to the informal economy in Bolivia, the analysis indicates that many of the problems besetting Latin America appear magnified in our nation's economy. This is due to the weakness that capitalist development has shown in our country; the size that the informal sector has reached is another manifestation of the phenomenon.

In our country, the report continues, declining job opportunities in the private sector, owing to the recession, were compounded by the impact of austerity policies (since 1985), which drastically cut back the role of government as a source of jobs.

It indicates that as a result of the economic crisis that has plagued the country since the early 1980's, the employment situation has undergone three major changes:

- A drastic increase in unemployment;
- A shift in the employment pattern, as evidenced by an ongoing increase and expansion of self-employment and low-productivity activities;
- A drastic decline in real wages, due both to hyperinflation and to the austerity policies that were pursued to control it.

It then asserts that between 1976 and 1987 the formal sector's share in employment fell by five percent. It clarifies that the drop was recorded in the government subsector, while the business sector expanded its share in the creation of formal jobs.

The studies that specialized institutions have conducted on the growth of the informal sector, Moreno-Muniz says, enable us to assert that during this period employment in the informal sector grew at a cumulative annual rate of 8.1 percent.

As a result, it adds in conclusion, in 1987, 55 percent of total employment in the country's main cities (451,106 workers) was linked to informal activities in various branches of production (37 percent to the household subsector and 18 percent to the semibusiness sector).

Brazil

Collor, Rezek To Monitor Gulf Developments

PY1601004691 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 15 Jan 91

[Text] Itamaraty is attentively following all events in the Persian Gulf around the clock in order to inform the Brazilian Government. President Collor is in direct and permanent contact with Foreign Minister Francisco Rezek, who receives information in Itamaraty as it arrives from the Brazilian Embassies in the Persian Gulf in coded messages. Rezek informs the president of the most important events. Any information on war action will be immediately reported to President Collor.

The Brazilian Government does not think war will begin after midnight—0300 Brazilian time—as some officials have said, which is in keeping with the term granted by the United Nations for Iraqi troops to leave Kuwait. Itamaraty will, however, remain alert around the clock in the event war does break out in order to inform President Collor at any time of the night. It will be a signal for the president to implement emergency measures prepared by the government.

Rezek Explains Stand on Gulf War Participation

PY1501221691 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 15 Jan 91

[Text] Foreign Minister Francisco Rezek spoke in the Senate today. He gave details of the measures the government will implement in the event of war in the Persian Gulf.

The minister told senators that Brazil will not participate in a war except to send food, medicine, or medical personnel to the region if the need arises. According to

the minister, Brazil would only agree to send soldiers to the Gulf as part of a UN peace force. Rezek still believes a war can be avoided.

Minister Rezek thinks there is no need for Congress to intervene on adopting measures to confront the crisis, particularly in regard to oil supplies in the event of war. Rezek added that Brazil will send a plane to Amman, Jordan, in the next few hours to evacuate all Brazilian citizens who might want to leave the region.

[Begin Rezek recording] The plane will probably go to Cairo or Cyprus; that is, to a safer place. These people will not come to Brazil. They have Brazilian citizenship because they are related to Brazilian citizens by blood; for instance, children who emigrated early in their life and married local citizens. In any case, there is a relationship and assistance will be offered because of it. [end recording]

Itamaraty Summons, Appeals to Arab Ambassadors

PY1501172291 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 15 Jan 91

[Text] Ambassadors from Arab countries were summoned today to attend a meeting at Itamaraty to analyze the Persian Gulf crisis.

The banners left by peace supporters outside the congress building continue to recall the request for peace, and this continues to be Itamaraty's banner.

One charge and eight Arabian ambassadors were invited to support peace and to cooperate with Brazilian diplomacy. They met at Itamaraty with Marcos Azambuja, secretary general for political affairs. The meeting lasted 30 minutes and had to be interrupted because Azambuja was invited to attend another meeting with Economy Minister Zelia Cardoso. Azambuja said that he was more confident after the meeting.

[Begin Azambuja recording] The meeting was aimed at...[changes thought] with ambassadors accredited to Brazil. We asked about their security conditions. We issued an appeal to them that problems far from Brazil should not have consequences in Brasilia, and that the diplomatic missions in Brazil should observe a constructive and exemplary behavior. [end recording]

Emergency Fuel Consumption Program Established

PY1501164491 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 15 Jan 91

[Text] The government has created an emergency program to rationalize fuel consumption in case it should become necessary. The decision was made by President Fernando Collor at a ministerial meeting during which 23 measures—which place the country in state of readiness in view of a possible war in the Persian Gulf—were discussed.

The emergency program to rationalize fuel consumption should it be necessary has 23 measures that range from campaigns to reduce fuel consumption to new schedules for gasoline stations. In addition to these measures, the government will submit to Congress a draft bill listing crimes against fuel supply and public assets. The measures will be implemented gradually, according to the evolution of the crisis in the Persian Gulf, said presidential spokesman Claudio Humberto Rosa e Silva.

[Begin Rosa recording] These measures have already been drawn up but they will only be implemented according to the situation. Should war break out, some believe it will only last a short time, others a long time, but whatever the case the government will only be able to respond once it has been determined how long the war will last. Once it knows this the government will be able to respond with effective and objective measures. [end recording]

During the meeting, Economy Minister Zelia Cardoso de Mello stated that the government must not fail to take into account fuel price increases when calculating the inflation rate.

Brazil will also search for new petroleum supply sources, mainly for cooking gas and will encourage exploration for new oil deposits.

Currently Brazil has a record oil reserve: 5,000,100,000 cubic meters.

President Fernando Collor has also decided that he will meet with his ministers and secretaries at 1000 on each Tuesday to make a weekly assessment of the crisis for as long as it lasts.

Finance Secretary Gardena's Resignation Examined

PY1501175091 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 10 Jan 91 (Economic Section) p 1

[Article by Rolf Kuntz]

[Text] National Finance Secretary Geraldo Gardena offered his resignation yesterday. Gardenalli, who is responsible for the National Treasury and the cash surplus accumulated in 1990, never participated in the Economy Ministry power circle, and he was not invited to attend the 7 January meeting to evaluate the economic policy. That was the straw that broke the camel's back said experts who work with him in the ministry.

Luis Fernando Welich, cabinet chief of Economy Minister Zelia Cardoso de Mello, who was almost appointed to replace Federal Revenue Director Romeo Tuma, is one of the possible candidates to replace Gardenalli. Welich worked for the Minas Gerais State government, and he is linked to former Planning Minister Joao Batista de Abreu.

Gardenalli protested several times not being invited to participate in important meetings. Several conciliatory

meetings were held with the economy minister and her closest aides but he finally decided to leave.

Gardenalli tried to impose strict control on the release of treasury resources. The same policy should be maintained this year. In November he defended the control of budget allocations: Some expenses included in the budget should remain frozen until taxes are collected.

Gardenalli also pointed out that control over expenditures is becoming politically more difficult and that the administration of the treasury funds is beginning to fail. For example, Justice Minister Jarbas Passarinho supported the release of resources to Lloyd Brasileiro independently of the privatization of that company. Gardenalli disagreed with the release under those terms. Politicians discovered that they can exert pressure on the Treasury with the support of the justice minister. The governor of Mato Grosso do Sul contacted Gardenalli after meeting with Minister Passarinho to try to get a loan released. Gardenalli was against it because that state owed money to social security.

Since July 1990, Gardenalli has been trying to get the states and municipalities to pay their debts. He was able to get several agreements after suspending the release of federal resources for transfer. Strengthening this measure will be very important this year, and this is why the Economy Ministry announced a policy of understanding with the governors, but if they continue to go through the Justice Ministry, the understanding will be difficult.

Gardenalli raised objections to important points of the economic policy. In internal discussions he was against the very high interest rates and the burden left on the monetary policy which he believed was too high. He also believed that the general freeing of prices was hastily done. He said that a very competitive market could only be implemented in four to five years. He added that the full freeing of prices before the competition is established would give the strong companies excessive power to increase salaries and prices. He recently said that the facts show that the risks were real.

IBGE Reports Industrial Production Downturn

PY1501144091 Brasilia Domestic Service in Portuguese 2100 GMT 14 Jan 91

[Report by Douglas Correa from Rio de Janeiro]

[Summary] The Brazilian Institute of Geography and Statistics, IBGE, today released in Rio de Janeiro the regional results of the industrial sector production. Compared to November 1989, the November 1990 results decreased in all regions consulted. The most affected region was Santa Catarina State, where figures stood at minus 18.7 percent. Bahia State industry, however, decreased only by 4.6 percent, while the Sao Paulo State industry decreased by 9.6 percent.

Rio de Janeiro industries have been presenting negative results since March and in November, the industrial production decreased by 8.8 percent.

Chile

Silva Cimma Assesses Crisis, Postpones Trip

PY1501131091 Santiago Radio Cooperativa Network in Spanish 2200 GMT 14 Jan 91

[Text] Foreign Minister Enrique Silva Cimma has decided to postpone the European tour he was scheduled to make during the next few days, especially to Madrid where he was supposed to meet with Chilean ambassadors accredited to that area.

Minister Silva Cimma disclosed this information to Cooperativa news after a meeting with the EEC ambassadors with whom he discussed the developments in the Persian Gulf and the situation of and prospects for Chilean investments in Europe. Silva Cimma voiced his concern over the great threat that the onset of war represents due to the Iraqi occupation of Kuwait since 2 August 1990. We discussed this subject with the foreign minister.

[Begin recording] [Unidentified Reporter] Minister, how do you feel about the crisis, about the developments in the Persian Gulf?

[Silva] Unfortunatelly, we believe that the hopes for peace are running out and, as a consequence, that this could lead to violence for which the Chilean people should be prepared. Our country is far from the Gulf but we must be aware what a conflict of this magnitute may represent. [end recording]

So far the Foreign Ministry has ordered that the minimum staff necessary the Chilean embassies in the Persian Gulf remain at their posts. According to the developments, however, the Foreign Ministry will grant its diplomats freedom of action. We also discussed this subject with the foreign minister.

[Begin recording] [Reporter] Minister, what about the permanence of Chilean ambassadors in their post should war break out?

[Silva] We have agreed with the ambassadors that it is up to them to judge the situation on site and when to return to the country.

[Reporter] That means they will leave the zone, right?

[Silva] Obviously.

[Reporter] Minister, what about your trip to Europe? Has it been postponed due to the developments in the Persian Gulf?

[Silva] Yes, it has been postponed.

[Reporter] Until when?

[Silva] Probably until late February. [end recording]

All day today Minister Silva Cimma held lengthy working meetings. The Foreign Ministry has closely followed the international negotiations, which have been unsuccessful so far, in search for a peaceful solution to the Persian Gulf crisis.

The situation of the ambassadors affects the chiefs of mission in Israel, Jordan, Saudi Arabia, Egypt, and Syria.

Rejects Dispatching Troops to Gulf

PY1501132091 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 15 Jan 91

[Text] Foreign Minister Enrique Silva Cimma has asserted that the Mideast conflict is centered in the Persian Gulf, that Chile has not transferred it to our country, and that Chile has no direct or active participation in the conflict.

Minister Silva added that the foreign communities involved in the conflict live peacefully in Chile and emphatically reiterated that Chile will not send troops to the zone but only grant humanitarian aid should the war break out.

Regarding the announcement of terrorist actions throughout the world by Iraq, Silva Cimma said that the Foreign Ministry has adopted all necessary measures to safeguard public order and the people's safety.

The minister said that Chile cannot pay heed to threats and alarm the people. He added that the conflict has not been transferred to Chile and that people must rest assured of that.

Moreover, he added that he is constantly meeting with groups of ambassadors to discuss foreign policy issues and that on Monday, 14 January, he met with EEC representatives to discuss the effects of the Persian Gulf crisis and other issues of bilateral interest.

Minister Silva Cimma reiterated that there are no Chilean citizens in the zone who were not given the opportunity to leave, regardless of their economic situation, because the Foreign Ministry ordered the Chilean embassies in the area to promote the evacuation of all Chileans.

Demonstration Staged Outside U.S. Embassy

PY1601013291 Madrid EFE in Spanish 0034 GMT 16 Jan 91

[Text] Santiago, 15 Jan (EFE)—Dozens of youths today demonstrated peacefully outside the U.S. Embassy in Santiago against a possible war in the Persian Gulf. The demonstrators shouted: "We do not want war, we do not want deaths, Yankees get out of the Middle East."

Waving placards advocating peace and rejecting war, the demonstrators—who were members of youth groups of Chilean leftist parties—also demanded that the Americans withdraw from "the Persian Gulf and Panama."

Manuel Guzman, general secretary of the Communist Party of Chile's youth branch, told EFE that they "reject in general the use of militaristic means to resolve problems, especially U.S. intervention."

Guzman made it clear that they also reject the invasion "of Kuwait by the dictatorial regime of Iraq" and charged the United States with having forced the situation to the point that there is no other alternative but the use of arms.

Evacuation of Citizens From Gulf Area Described

PY1501141891 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 15 Jan 91

[Text] Claudio Vasquez has asserted that, given the opportunity to return to Chile, no Chilean citizen, regardless of his financial situation, has remained in the Persian Gulf zone. [sentence as heard]

Claudio Vasquez was in charge of evacuating the relatives of Chilean diplomats and Armed Forces representatives in the embassies in Tel Aviv, Cairo, Saudi Arabia, Jordan, and Syria. Thery were evacuated aboard a FACH [Chilean Air Force] Boeing aircraft.

Vasquez also denied that those citizens had been charged the air fare to Chile noting that about 80 percent of them travelled free of charge on a flight which cost $160,000.

[Begin Vasquez recording] I can assure you that no Chilean citizen has remained in Israel, Egypt, Jordan due to financial problems. I can state that categorically. In the case of Israel we had even thought—and I discussed the possibility with the FACH personnel that accompanied me on the trip—of establishing an air bridge between Madrid, Spain, and Tel Aviv. Had we had a larger number of people than what the aircraft could transport—that is, more than 150 people—we knew that the Foreign Ministry had authorized me to establish an air bridge. We had even thought, had it been necessary, of making four trips between Tel Aviv and Madrid. [end recording]

Vasquez stated that the Foreign Ministry had ordered the Chilean ambassadors in the zone to grant every facility to Chileans who wished to leave those countries so that they could do so on regular flights with fare provided by the Foreign Ministry.

Vasquez noted that there are a lot of Chilean citizens working in Israel, Chileans who are of Jewish decent, or tourists who have been stranded there and are in an illegal situation. On the whole, there are some 1,000 Chileans in that country.

Energy Official Gives Assurances on Oil Supply

PY1501144491 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 13 Jan 91

[Text] Jaime Toha, president of the National Energy Commission, has stated that the citizenry should rest assured that the normal oil supply for Chile is guaranteed should war break out in the Persian Gulf. He explained that a war of this nature would not cause an energy problem but rather a financial problem for Chile.

[Begin Toha tecording] The country should not have that problem. We have stated that what could surface would not be an energy crisis but rather a problem of a financial nature cause by an eventual sudden increase in international oil prices, but we have no reason to believe that Chile's oil supply may be affected, within a reasonable margin. [end recording]

Toha added that should war break out in the Persian Gulf, the government will adopt measures so that it will not affect or interfere with the Chilean people's normal life.

Moreover, Toha announced that the National Energy Commission is analyzing a draft bill designed to regulate exploitation in Chile of geothermal energy which is generated by the heat produced by the various geothermal sources in the country.

Aylwin Urges Senatorial Approval for Elections

PY1501224491 Santiago Television Nacional de Chile Network in Spanish 1700 GMT 15 Jan 91

[Text] A few minutes ago President Patricio Aylwin made an urgent appeal for senators to approve the constitutional reform that would allow municipal elections.

[Begin Aylwin recording] There is no justification for postponing fulfillment of a wish that was expressed by all candidates in the presidential election campaign. We, the three presidential candidates, said that our goal if we won the election was to promote the democratization of the municipalities. Therefore, there is no justification for postponement of this idea, on which we and the great majority of Chileans agree. This is why I am making this appeal. It is more than that, I am begging all the senators to contribute their vote in order to progress in materialization of this idea by approving the constitutional reform that is a necessary step for improving, through the best possible agreement, the law on municipal organization and the responsibilities of democratic municipalities. [end recording]

Former CNI Director 'Bankruptcy' Trial Opens

PY1501212091 Madrid EFE in Spanish 0113 GMT 15 Jan 91

[Text] Santiago de Chile, 14 Jan (EFE)—Today the Chilean court began an "illegal bankruptcy" trial and ordered the imprisonment of Alvaro Corbalan, former operations chief for the defunct National Information Center [CNI], the secret police under the former military regime headed by General Augusto Pinochet.

Corbalan, a former Army captain, has been arrested by the Civilian Investigative Police at the resort of Papudo, 150 km north of Santiago, and taken to Santiago Prison. Corbalan is charged with involvement in the "illegal bankruptcy" of the Santa Barbara transport enterprise owned by Corbalan and his father-in-law, Jose Guillen, who is also being prosecuted.

The court investigation must determine the final destination for funds belonging to the enterprise, including a bank credit totalling $1.3 million.

Corbalan is also mentioned in investigations into the illegal finance agency La Cutufa, which operated in the Army and defrauded hundreds of civilians and military men. Press reports have said that Corbalan bought the Santa Barbara enterprise with money he made from La Cutufa.

According to reports, Corbalan is a controversial individual in Chilean political and police circles. He was linked with the ultra- rightist sector and with the closest supporters of General Augusto Pinochet, who ruled Chile for almost 17 years. Human rights organizations have charged Corbalan with being one of the main people responsible for the disappearance and murder of various Communist Party members and of people who opposed the former military regime.

After leaving the CNI, Corbalan engaged in business and created the "National Vanguard" party made up of people closely linked to the former military regime. Corbalan was expelled from this party due to his involvement with the illegal finance agency La Cutufa, which is headed by Army officers, some of them former CNI agents. La Cutufa matters led the Army to discharge several officers, and the court has begun a trial of eight of them.

Corbalan's partner Jorge Vargas Bories was also charged with involvement in the Santa Barbara enterprise case. Vargas was also a former CNI agent, and he currently works for the Army Intelligence Directorate.

Vargas has been imprisoned on charges of fraud in the La Cutufa matter. He has also been charged with being one of the murderers of journalist Jose Carrasco in September 1986, a few hours after the thwarted attack on General Pinochet.

Government Responds to Letter on Human Rights

PY1501153291 Santiago Radio Cooperativa Network in Spanish 2200 GMT 14 Jan 91

[Text] Enrique Correa, secretary general of government, has delivered an official government declaration on some individuals who are said to represent, the note says, relatives of people who suffered human rights violations and relatives of political prisoners. These

people sent an open letter to the president that includes a series of remarks and petitions that the government must answer.

The document says that the president supports Prison Police resolutions aimed at preventing the repetition of attitudes that hinder normal prison activities.

The declaration says that the government has taken measures to heal the wounds afflicted upon victims of human rights violations. For this purpose, among other things, the government has created the Truth Commission and has used all legal instruments to obtain the freedom of individuals who are in jail for political reasons. Such measures have not been, nor will they be, negotiable, the government says.

The documents adds that demonstrations of force, or the unruly attitude of some individuals, will not facilitate the solution of problems. The government rejects these attitudes and will not accept, under any pretext, illegitimate pressure on their decisions.

Asked if it is true that relatives of political prisoners who participated in the prison takeover will not be allowed to visit their relatives for one year, Correa said it was true although he was not sure of the lenght of the ban. This is something that Isidro Solis, prisons director, will decide, Correa said.

[Begin Correa recording] Perhaps you confuse government humanitarian policies regarding children. The demonstrators used them as innocent participants in the takeover. We will not be weak in facing individuals who challenge the government. It is precisely one of the most important achievements of this democracy. This year we reestablished the concept and reality of civilian authority, the concept of government authority linked to democracy, democratic authority. [end recording]

We are not going to lose or risk these achievements for any reason, Correa said, and he said in conclusion that the government will not tolerate a systematic challenge to public order.

Colombia

FARC Storms Tolima Town; Fighting Continues

PA1501165191 Bogota Radio Cadena Nacional in Spanish 1200 GMT 15 Jan 91

[Report by Gustavo Gonzalez]

[Text] FARC [Revolutionary Armed Forces of Colombia] guerrillas, apparently members of the 21st Front, stormed the town of Roncesvalle, Tolima Department, at 0400, and clashes at the city limits continue in front of the police precinct. Close to 20 policemen are fighting the rebels. It has been reported that the Police have heroically defended the precinct, and that only three policemen have been wounded so far. There is no word yet on the number of wounded or dead on either side.

At this time, another group of rebels is gathering the people outside the Roncesvalle church, shouting antigovernment slogans. It was also reported that an explosion was heard a few minutes ago outside the precinct. Meanwhile, Ibague's 6th Brigade commander, Colonel Victor Alvarez, and Police Commander Ismael Higaldo Vidales dispatched reinforcements, including three helicopters, one of which is a gunship. There are no further details on the guerrilla's takeover of Roncesvalle and on police actions to protect the local precinct.

It was also reported that approximately 80 guerrillas stormed the town and are still there in the main square and near the police precinct.

FARC Robs Helicopter; ELN Kidnaps Banker

PA1601030591 Madrid EFE in Spanish 2128 GMT 15 Jan 91

[Text] Bogota, 15 Jan (EFE)—The Revolutionary Armed Forces of Colombia (FARC) today robbed a helicopter from the state-run Colombian Petroleum Enterprise (Ecopetrol), located in the Casanare Intendency, in the eastern part of the country, while the National Liberation Army (ELN) rebels kidnapped a bank official.

Army sources today reported that in Barrancabermeja—the nation's leading petroleum center—in the Santander Department, the ELN set fire to three buses that were transporting Ecopetrol workers. The ELN also kidnapped Heiner Rodriguez, manager of the state-owned Agrarian Savings Bank branch in Morales, Bolivar Department.

The ELN rebels took over the Carboandes Company installations in La Jagua, in the northern Cesar Department, and, after harassing the workers, set fire to the coal extracting machinery valued at approximately $2 million.

Regarding the helicopter heist, an Army spokesman said that the pilot, Captain Edgar Santoyo, was flying company materials from Yopal, Casanare's capital, to the camps in the Aracal area when he was forced by the FARC rebels to fly to an unknown destination.

Santoyo reported over the helicopter's radio that the rebels had forced him to fly to an unknown location, the source added. The aircraft is a Bell helicopter, with Colombian Registration Number HK-3188, belonging to Helicol, a private company.

Meanwhile, police sources reported that in another FARC attack, three policemen were wounded in the Roncesvalle town, in central Tolima Department.

Medellin Cartel's Second-in-Command Surrenders

PA1501232791 Madrid EFE in Spanish 2258 GMT 15 Jan 91

[Text] Medellin (Colombia), 15 Jan (EFE)—Jorge Luis Ochoa Vasquez, the Medellin Cartel's second-in-command, turned himself in to Colombian officials today—28 days after his brother, Fabio, surrendered to government officials in this city.

The alleged drug trafficker turned himself in to a criminal instruction directorate official so that he will have protection under the government decree that ensures reduced sentences and an impartial trial in Colombia.

Authorities Arrest Medellin Cartel Member

PA1601020691 Hamburg DPA in Spanish 2105 GMT 15 Jan 91

[Text] Bogota, 15 Jan (DPA)—It has been officially reported that Colombian authorities today captured drug trafficker Dandeny Munoz Mosquera, who is considered the 10th most important member of the Medellin Cartel and one of the main leaders of the drug mafia's terrorist branch.

The criminal was arrested along with two other accomplices during a military operation carried out in San Carlos, 200 km northwest of Bogota, in Antioquia Department.

Munoz Mosquera, a.k.a. "La Quica," had escaped from a jail several months ago and is held responsible for the deaths of at least 40 policemen.

The terrorist attacks were sponsored by the Medellin Cartel at the beginning of last year, in retaliation for the government offensive against drug trafficking groups.

President Cesar Gaviria Trujillo's administration decided that the drug traffickers and terrorists who turn themselves in, confess a crime, and cooperate with the authorities will not be extradited and the length of their sentences will be cut in half.

Up to now, six criminals have turned themselves in accordance with the special measure. One of them is Fabio Ochoa Vasquez, who is accused of being the Medellin Carrtel's third "capo."

According to the government's decree, drug traffickers who do not turn themselves in and are captured by the authorities will not benefit from that special legislation.

* UNASE Successes, Capabilities Praised

91SM0151A Bogota EL TIEMPO in Spanish 12 Dec 90 p 11c

[Text] Continuous operations which Police and the Special Antiextortion and Kidnapping Unit (UNASE) have carried out in Antioquia and other regions of the country over the past three weeks have had an impact on the previously spiraling kidnap rate.

Action has concentrated on Antioquia, UNASE's main center of operations, resulting in the release of nine hostages, the capture of 14 criminals, and the deaths of 19 members of organizations which practice kidnapping.

A similar record has been achieved in Cesar, which this year has witnessed the release of 14 individuals, the deaths of 33 criminals, and the arrest of another 28 in antikidnapping actions.

Figures indicate that a total of 1,209 persons have been kidnapped this year, of which 473 are still in the hands of common criminals and rebel groups.

Of the 1,209 cases, 648 involve common crime. Figures show that 113 persons have been rescued, 165 ransomed, and 77 murdered by their captors.

UNASE, an agency made up of members of the DAS [Administrative Department of Security], Army, and Police, began to develop its antikidnapping strategy in early November and has broken all records for rescues.

DIJIN [Judicial and Investigative Police Directorate] spokesmen in Bogota report that until two months ago, any operation aimed at rescuing a kidnap victim took up to three months. "We have reduced that figure because operations have been decisive and conducted in less than a month," one official said.

The coordination of strategies of the three forces making up UNASE has yielded positive results in a short period of time.

"This is an example of what the integration of government security agencies should be in fighting crime in Colombia," one DIJIN spokesman said.

The unit, set up by the government to fight kidnapping in a region of the country which by 1 October had suffered 78 such criminal acts in Medellin and 127 in the rest of the department, has maintained a record of one rescue every three days since it went into action.

For the time being, the unit is operating in Medellin and Antioquia, but those in charge of UNASE hope to turn it into a mobile group capable of operating anywhere in the country.

According to UNASE members, the positive results stem from citizen cooperation that has provided an efficient communication system within a short period of time.

This attitude has in turn been backed by advertising campaigns including the distribution of leaflets asking for cooperation from the people of Antioquia.

Based on a month-long study of kidnapping in the department, investigators determined that the phenomenon is due to "a mercenary culture" generated by drug trafficking organizations.

"Money taken in by bands of hired killers connected with drug trafficking is reduced when organized crime changes strategies and for crimes against the police and

terrorism. These hired killers turn to kidnapping in order to maintain the same standard of living they enjoyed while working for drug traffickers," one official explained.

The chief of the Medellin Metropolitian Police, Colonel Jorge Ernesto Ferrero Echeverri, said it is very difficult to calculate how many persons have been kidnapped in Antioquia due to the silence maintained by victims' families.

Investigators say the success of UNASE, made up of 50 officers, results from the fact that its actions are based on precise information on kidnapping.

"The most important aspect is not the number of men because for us it is much better to obtain intelligence information to guarantee the success of the operation," one police source added.

The actual rescue lasts a scant 30 seconds and is only carried out when precise information is available on the victim's whereabouts.

Results similar to those achieved by UNASE have been turned in by Police commandos in the Departments of Cordoba, Cesar, and Valle.

Ecuador

U.S., French, German Embassies in Quito Bombed

PA1601011791 Hamburg DPA in Spanish 0052 GMT 16 Jan 91

[Text] Quito, 15 Jan (DPA)—Low-powered explosive devices, which caused no casualties or damage were thrown today at the embassies of the United States, France, and Germany in Ecuador. No group has claimed credit for the attacks.

A noise bomb, which exploded without causing any damage, fell at 1440 (1940 GMT) in the grounds of the U.S. Embassy in Quito, while students demonstrating outside the diplomatic mission were shouting slogans against a possible war in the Persian Gulf.

Some 30 minutes later, two Molotov cocktails were thrown at the French Embassy a few meters away from the U.S. Embassy. The explosions caused no damage or casualties, according to the police.

Two hours later, a noise bomb, which did not explode, was thrown at the German Embassy, located 500 meters from the U.S. and French missions, in what appeared to be a deliberate action against three of the countries participating in the anti-Iraqi alliance.

Small demonstrations, primarily carried out by students, were staged throughout the day in Quito and other Ecuadoran cities against a possible war in the Persian Gulf. Meanwhile, religious ceremonies for peace were held in the city's churches.

Subversive Group Seizes French Consulate

PA1501235691 Quito Radio Quito in Spanish 2322 GMT 15 Jan 91

[Text] Members of the Alfaro Lives Dammit subversive group today seized the French consulate in Guayaquil and apprehended the consul, [name indistinct], and his wife, Brigitte, in rejection of a possible war in the Persian Gulf. According to information from the diplomatic mission, four young women and a man, Rosendo Santamaria, apprehended the consul when he was working. The members of the Alfaro Lives Dammit group announced that they will remain at the French consulate for 24 hours.

Paraguay

Rodriguez Terms Lacalle Talks 'Very Positive'

PY1501150291 Asuncion ULTIMA HORA in Spanish 14 Jan 91 p 13

[Text] President Andres Rodriguez has said that his meeting with Uruguay's President Luis Alberto Lacalle was "very positive." The president made this remark upon his return from Uruguay this morning. Foreign Minister Alexis Frutos Vaesken traveled with the president.

During the meeting the two presidents talked about issues of common interest such as the Mercosur, Urupabol [Permanent Joint Commission of Uruguay, Paraguay, and Bolivia], and the Americas Initiative, U.S. President George Bush's proposal.

Rodriguez said: "Everything developed marvelously well during our meeting with President Lacalle. I am sure that our discussions will yield very positive results.

"We discussed issues of common interest that will undoubtedly benefit our countries. It was clear from the beginning that our political goal is the economic, social, cultural, and political well-being of our nations," the president stressed.

Foreign Minister Frutos Vaesken discussed possible areas of cooperation with his Uruguayan counterpart Hector Gross Espiell. Frutos Vaesken said: "There are projects on the drawing board, but the purpose of our visit was to open new areas for cooperation. Uruguayan authorities have expressed the desire to strengthen their relations with Paraguay," Frutos stressed.

Foreign Minister Comments on Gulf, Postpones Trip

PY1601131091 Asuncion ABC COLOR in Spanish 16 Jan 91 p 14

[Text] On 15 January Foreign Minister Alexis Frutos Vaesken rejected the possibility that any fellow countrymen are trapped in the conflictive area of the Persian Gulf and are not able to get out of that high-risk region.

"To my knowledge no Paraguayan is currently in that area, and the Foreign Ministry has received no requests to evacuate fellow countrymen from the Persian Gulf area," the foreign minister said.

In this respect, he recalled that the Foreign Ministry's only action occurred in October 1990 when it sought the release of a German hostage, who is the husband of Paraguayan Maria Marta Gavilan. After joint negotiations with Argentina and the German Embassy, this hostage was able to leave Iraq and join his family in our country.

Frutos Vaesken indicated that the government's position regarding the serious situation in the Persian Gulf will be expressed in a declaration that will be issued by the Latin American countries that make up the Rio Group.

The foreign minister explained that with the exception of that declaration there will be no other official statement. Frutos Vaesken said: "Paraguay has already adhered to the UN resolution that condemns the invasion of Kuwait, and it also approved the blockade of Iraq."

Due to the Gulf situation, the foreign minister's scheduled trip to Spain has been postponed. He was to have departed today. A trade delegation's trip to East European countries has also been postponed.

Finally, Frutos Vaesken indicated that he will take a vacation during the next few days. "I must remain here at this very important time, because at any moment an OAS or Rio Group meeting could be called," he concluded.

Leftist Organizations Issue Antiwar Communique

PY1601133891 Asuncion ABC COLOR in Spanish 16 Jan 91 p 24

[Text] Our country's leftist political parties and groups have expressed their full support for Iraq and the Arab peoples as a whole. They called a news conference on 15 January to expound their position regarding the Persian Gulf conflict. The meeting was called for by the Workers Party (PT), the Popular Democratic Party (PDP), Revolutionary Circles [Circulos Revolucionarios], the Free Fatherland Movement [Corriente Patria Libre] (CPL), the Paraguayan Liberation Movement [Movimiento Paraguaya de Liberacion] (Mopali), and the Febrerista Revolutionary Youth (JRF).

In a communique they made it clear that the support "must in no way be interpreted as political support for the dictator Saddam Husayn, who governs for the capitalists of his country and who represses the opposition."

"We declare that we are against this genocidal war through which Bush and company intend to destroy Iraq, and we call on all workers, popular and anti-imperialist organizations to mobilize and call for the withdrawal of the Yankee troops from the Persian Gulf. We maintain that the Arab problems must be resolved by the Arab peoples themselves without the interference of imperialist powers or Soviet bureaucracy," the communique points out.

These political organizations state that "Bush and company" want to destroy the Iraqi military, which they no longer control; to overthrow Husayn in order to install a puppet government; and to establish permanent military bases in the region in order to once again obtain absolute domination.

They also criticize the "antipopular and pro-imperialist Rodriguez government, which, while it maintains that due to the war the workers and popular sectors will be subject to new starvation measures, has not wavered in supporting in the United Nations the actions" of the United States.

Finally, the political organizations invite everyone to participate in an antiwar demonstration to be held at 2000 [2300 GMT] on 8 February in front of the U.S. Embassy.

Peace Demonstration Held Outside U.S. Embassy

PY1501124891 Asuncion ABC COLOR in Spanish 15 Jan 91 p 9

[Text] On 14 January demonstrators gathered in front of the U.S. Embassy and chanted "Bush-Bush-Bush/ Saddam-Saddam-Saddam/ We do not want war/ We want peace" to the rhythm of the popular song "Xu-xu-xu Xa-xa-xa" [theme song of hostess of popular Brazilian children's television program]. More than 100 persons, most of them under the age of 30, gathered on the corner of Mariscal Lopez and Kubitscheck Avenues to demonstrate against war in the Persian Gulf. Up to the time this newspaper went to press there had been no trouble with the police that were posted there.

The demonstration began at 1920 [2220 GMT] with the gathering of some 50 persons, most of them artists, who had called the demonstration. Thirty minutes later more than 100 demonstrators crossed Mariscal Lopez Avenue and formed a line that went from Kubitscheck Avenue to Bernardino Caballero Street. The demonstrators had also painted their faces with the symbol of peace.

People driving by and those who were stopped at the traffic lights were surprised by the demonstration, but several expressed their support by honking their horns.

The demonstrators chanted other slogans such as "Let us support, let us support/ We should not stop supporting/ The world is round/ It is not pentagonal." They chanted antiwar slogans such as "I Only Ask God" and the "Song of Hope," among others, which were sung by Alberto Rodas, Ricardo Flecha, and Amado Cardozo. Poet Moncho Azuaga also his work "The Poem of the Fighter."

At approximately 2100, Luis Martinez, better known as Mimolucho [Paraguayan personality and mime], handed

Max Salazar, the U.S. Embassy's security chief, a letter in which the demonstrators requested that there be no war in the Persian Gulf.

Peru

Further on Ministry Bombing, Other Attacks

PY1501135091 Madrid EFE in Spanish 0432 GMT 15 Jan 91

[Excerpt] Lima, 14 Jan (EFE)—At least two attacks with explosives and the burning of tires, but no casualties, occurred today in several areas of this capital, just a few hours after a car bomb exploded killing one policeman and injuring more than 50 people.

An official Interior Ministry communique reports that the car bomb, which exploded in the patio of the Peruvian Interior Ministry, killed Corporal Mauricio Chance and injured 53 others—two of them seriously—including civilians and policemen.

[Lima RTP Television Network in Spanish at 1100 GMT reports the Tupac Amaru Revolutionary Movement is responsible for the bomb attack. The report adds: "Leaflets in which the terrorist organization expressed its disagreement with the government were found on Moreira Street."]

Initial information provided by eyewitnesses indicated that two policemen had died and that the number of injuries reached 100, including a dozen policemen. The Guevara-leaning terrorist Tupac Amaru Revolutionary Movement (MRTA) called several media offices and claimed responsibility for the attack.

A subsequent attack took place at a service station in the Acho Bullring neighborhood, in the Lima district of Rimac, where the terrorists threw fire bombs that were put out by employees before the flames reached gas pumps. Another attack occurred on a street in downtown Lima, where a terrorist also threw explosives that only caused alarm among the pedestrians.

According to several neighbors, unknown persons burned tires and blocked traffic for a few minutes on an avenue in La Victoria District and on an avenue in the neighborhood of San Marcos University.

The Interior Ministry communique indicates that the car bomb exploded close to the ministry's gas pumps and that two police vehicles were taking on fuel when the explosion occurred.

The communique adds that the shock wave caused serious damage to the premises and neighboring buildings, which suffered broken windows and doors. Some 20 vehicles were also damaged.

The Civil Defense building, some 80 meters from the ministry, was also damaged.

Police vigilance was reinforced in all public offices after the attack against the Interior Ministry, and a sweep has begun to find the perpetrators. [passage omitted]

Communique on Assistance to Nationals in Gulf

PY1601023691 Lima RTP Television Network in Spanish 0105 GMT 15 Jan 91

[Text] The Foreign Ministry today issued the following official communique:

The Foreign Ministry let it be known that it is in constant communication with our embassies in Egypt and Israel, which, following instructions from this ministry, are providing assistance and protection to Peruvians as the emergency situation calls for.
Lima, 15 January 1991
Foreign Ministry General Information Directorate

'Dangerous' Terrorist Killed in Huanuco Shoot-Out

PY1601113291 Lima RTP Television Network in Spanish 0100 GMT 16 Jan 91

[Text] A dangerous leader of the Shining Path terrorist group was killed in Huanuco by Technical Police during a shoot-out in which a policeman was wounded. The terrorist, Maximo Ariza Verneo, had committed many crimes and was intensely sought by the local police. Technical Police Major Miguel Yaya reported the following:

[Begin Yaya recording] Today the National Police, by means of the Huanuco Departmental Technical Police, managed to find and eliminate the most sought-after terrorist criminal in Huanuco and the Alto Huallaga region. His name was Maximo Ariza Verneo, and he was the commander and [words indistinct] of all the violent crimes that took place in the region since 1989 to the present.

Technical Police personnel found him today at about 0910. When the criminal saw that his arrest was imminent he tried to escape by crossing the Huallaga River after a shoot-out. However, our personnel, who are very well prepared, managed to find him and kill him.

Since he was 12 years old in the Alto Huallaga region, this terrorist has been training to be member of the terrorist military command in Huanuco. We know he was a bloodthirsty criminal. He participated in all the attacks, including the one against the provincial mayor and in which the mayor's wife died. I repeat that this criminal, Maximo Ariza Verneo, has participated in all the criminal and violent actions in this zone. [end recording]

* APRA Communique Criticizes IMF Role in Program

91P40106A

[American Popular Revolutionary Alliance (APRA) communique on the Peruvian Government's economic

policy and the IMF, issued in Lima on 15 December 1990: "The People Did Not Vote for the IMF—STOP THE NEW PACKAGE OF ECONOMIC MEASURES!"]

[Editorial Report] Lima EL NACIONAL in Spanish on 17 December on page 7 publishes an American Popular Revolutionary Alliance (APRA) communique listing eight objections to the "Hurtado cabinet's anti-inflationary program":

- The "IMF's economic shock program," proposed by Fredemo (Democratic Front) and adopted by the Fujimori administration, is "not achieving the desired results and its social costs are unbearable."
- Inflation "persists" despite the "profound recession" caused by the decline in wages, food consumption, public and private investment, and exports.
- Poverty has "significantly" increased and Peru's workers are earning, in real terms, less than half of what they were earning in July [when the Fujimori administration replaced the APRA administration].
- The "failure" of the Social Emergency Program (PES) is due to the "lack of political will and administrative capacity."
- The Fujimori government is "submissive" since it continues to apply IMF policies in spite of the "social sacrifice heaped upon the Peruvian public" and the "unfavorable economic results."
- Hurtado Miller is "hurrying" to cut workers' wage earning power through fuel and utilities price hikes, and by eliminating jobs through "massive layoffs" of state employees and the privatization of state enterprises.
- As a result of the aforementioned measures, unemployment and the recession will be "deepened" with "no assurance that inflation will be controlled." In addition, "the IMF will achieve its goal of depressing [our] economy while allowing our Central Reserve Bank [BCR] reserves to increase so we can pay the foreign debt."
- "Peru should continue trying to improve its relationship with the economic community and the international financial system." However, "Peru should not believe the "myth of reinsertion" into the international financial system at the risk of "more suffering and misery" among the people. The "Hurtado cabinet" should "immediately rectify" its economic program, a program "rejected by a majority of the public" who voted " against the shock and neoliberal dictates of the IMF."

Uruguay

Executive Branch To Set Up Gulf 'Crisis Cabinet'

PY1501162491 Montevideo Radio El Espectador Network in Spanish 1500 GMT 15 Jan 91

[Excerpts] In the next few hours the executive branch will designate a crisis cabinet to closely follow the Persian Gulf situation in order to be able to tackle possible repercussions in our country. This is the first time that such a decision has been made by the Lacalle administration in light of the current international situation. [passage omitted]

Interior Minister Juan Andres Ramirez has said that a preventive operation has been set in motion considering the possibility of war in the Middle East. The operation will be enforced in strategic spots like airports, sea coasts, diplomatic missions, and multinational companies.

President Luis Alberto Lacalle postponed a trip to Antarctica that he was to have begun on 14 January. The announcement was made by the president himself at the port of Montevideo this morning. The president came to the port to see off the Uruguayan Navy ship (Pedro Campbell). The president's decision was made in view of the conflictive situation caused by the Middle East crisis and its possible repercussions all over the world. The president's trip to Antarctic might be made next month, but no date has yet been set.

In the past few hours, the president conveyed over the phone his solidarity and support to the commander of the Uruguayan Armed Forces who are in the Middle East. Lacalle expressed his fervent wishes of peace in the conflictive zone and the concern of the entire Uruguayan people over the uncertain situation in the area.

The international peacekeeping force in the Sinai thanked the Uruguayan president for his greetings and assured him that the troops (?will stay in the positions) established by the UN resolutions.

EEC Environmental Cooperation Agreement Signed

PY1501181491 Montevideo EL DIA in Spanish 26 Dec 90 p 4

[Summary] The EEC and Uruguay signed an agreement for environmental cooperation. Raul Lago, Uruguayan minister of housing, land improvement, and environment, and Catherine Guibourg, EEC representative for environmental affairs, signed the agreement creating a National Center for Environmental Information and for Handling and Disposing of Toxic and Dangerous Waste [Centro Nacional de Informacion Ambiental y de Tratamiento y Disposicion Final de Residuos Toxicos o Peligrosos].

Venezuela

Armed Forces Up Security at Petroleum Facilities

PA1501173291 Hamburg DPA in Spanish 1547 GMT 15 Jan 91

[Text] Caracas, 15 Jan (DPA)—The Venezuelan Armed Forces over the past 24 hours have redoubled security at petroleum facilities while military planes are patrolling the Gulf of Venezuela area, the main international point of departure for Venezuelan petroleum, to prevent a possible terrorist attack. These security measures are

part of a Venezuelan military contingency plan. This country, after Saudi Arabia, is the second largest petroleum supplier for the United States.

Meanwhile, the Foreign Ministry is about to evacuate about 30 Venezuelans who are still in the Persian Gulf area and has established a crisis committee to maintain close contact with Venezuelan diplomatic representatives in Iraq, Saudi Arabia, and Israel. Venezuelan Ambassador to Iraq Carlos Alberto Taylhardat and the Cuban ambassador are the only Latin American ambassadors still in Iraq.

In Caracas the media is echoing statements by politicians and citizens against the explosion of war in the Persian Gulf. A local radio station started a "vigil" for peace that will end at 1700 today when the deadline established by the United States for Iraq to withdraw from Kuwait expires.

For their part, municipal authorities have advised consumers to not make speculative purchases out of fear of a food shortage stemming from a war. The government has said that Caracas has a 55-day reserve of processed food. The possibility that a war could force an increase in the prices of certain products has not been ruled out, however, because Venezuela has to import part of the food it consumes.

Soldiers have started to restrict access to petroleum production plants in the country's eastern and western areas. Witnesses quoted by the local press have indicated that there was intense military mobilization in the States of Zulia (west) and Falcon (east), the main centers of Venezuelan petroleum wealth.

Although, according to unofficial assessments, there are no signs of an imminent terrorist threat, these measures are designed to protect the Venezuelan economy's main source of foreign currency. In 1990 it produced about $14.5 billion, about 85 percent of its revenues.

Guyana

Constitutional Amendment Extends Parliament

FL1501172091 Bridgetown CANA in English 2157 GMT 14 Jan 91

[By Urrell Wilkinson]

[Text] Georgetown, Guyana, Jan 14, CANA—Disorder reigned in Guyana's National Assembly Monday as the government's majority, over opposition protests, ensured passage of a constitutional bill to extend the life of Parliament.

The entire opposition walked out of the Assembly as the government members voted to secure passage of the bill to extend the life of Parliament, and allow time for a voters list to be prepared based on house-to-house enumeration of voters. Opposition parties, which had pressed the government for house to house enumeration, say there is enough time to conduct the exercise without extending the life of Parliament and consequently pushing back the May 2 deadline for general elections here.

Speaker of the Assembly Sase Narine briefly suspended the sitting as opposition members began banging objects. But disorder continued after the resumption as one opposition member removed the mace, and later threw a drinking glass in the direction of the speaker. Prime Minister Hamilton Green, immediately after the sitting, called the behaviour of the opposition "disgraceful, and a rejection of the democratic process."

The Constitution (Amendment) Bill 1991, on which attorney general and minister of legal affairs, Keith Massiah, spoke unheard for 20 minutes, alters the Constitution to extend the life of Parliament by two months from February 2, 1991, when it should have been dissolved. The bill also provides for further extension to the life of Parliament, by two months or less at a time, via resolution supported by two-thirds of the members of the Assembly. The limit of the extensions is September 30, 1991, the bill states.

The bill as approved will enable the authorities to complete preparations of the official electors list through house to house enumeration in keeping with a recently enacted Election Laws (Amendment) Bill. That earlier bill was introduced by government to give effect to President Desmond Hoyte's concession last October to opposition demands that the voters list for elections due here be compiled based on house to house enumeration. Completion of the list and the non-residents roll has been set for June monthend, [according to] the Guyana Public Communications Agency (GPCA), the government's information arm.

GPCA said the amendment to the Constitution was necessary to avoid "a situation of anarchy which would have come about with the dissolution of the National Assembly on February 2nd 1991 with the preparation of the voters list still incomplete." Government sources also said provision has been made that when the new voters list is completed, the president will dissolve Parliament within seven days, and in no event can the Parliament continue beyond September 30, 1991.

Suriname

Minister, Oil Companies Guarantee Oil Supplies

FL1501191591 Paramaribo International Service in English 1730 GMT 15 Jan 91

[Text] There is enough gasoline for the coming three to four weeks and also for the period following; the supply of oil is guaranteed. This has been stated by both the

minister of natural resources and energy [name indistinct] and representatives of the oil companies in Suriname. At the moment, two ships with gasoline are in Port Paramaribo, while in the course of the week another two ships are expected.

According to an official of the Ministry of Natural Resources and Energy, the ministry has already drafted the crisis plan which will be put into effect in the event of an eventual outbreak of war in the Gulf. He announced drastic rationing of electricity and [words indistinct] as possible measures in the future. There is, however, no reason to panic since Suriname receives oil supplies from the region, said the official. Since yesterday there have been unusually long queues at service stations as a result (?of what is happening) in the Gulf war.